

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

WELL PLUGGING APPLICATION

Please TYPE Form and File ONE Copy

Form CP-1
September 2003
This Form must be Typed
Form must be Signed
All blanks must be Filled

API # 15-155-21329-00-01 (Identifier Number of this well). This must be listed for wells drilled since 1967; if no API # was issued,

indicate original spud or completion date 8/19/1994

Well Operator: Lotus Operating Co LLC KCC License #: 31980
(Owner / Company Name) (Operator's)

Address: 100 S. Main Ste 420 City: Wichita

State: Kansas Zip Code: 67202 Contact Phone: (316) 262-1077

Lease: Royce "A" Well #: 2 Sec. 16 Twp. 25 S. R. 9 East West

N2 - SW - SE Spot Location / QQQQ County: Reno

998 1066 Feet (in exact footage) From North / South (from nearest outside section corner) Line of Section (Not Lease Line)

1980 1989 Feet (in exact footage) From East / West (from nearest outside section corner) Line of Section (Not Lease Line)

Check One: Oil Well Gas Well D&A Cathodic Water Supply Well
 SWD Docket # _____ ENHR Docket # E-28,102 Other: _____

Conductor Casing Size: _____ Set at: _____ Cemented with: _____ Sacks

Surface Casing Size: 8 5/8" Set at: 228 Cemented with: 225 Sacks

Production Casing Size: 5 1/2" Set at: 4139 Cemented with: 190 Sacks

List (ALL) Perforations and Bridgeplug Sets: _____

Elevation: 1687 (G.L. / K.B.) T.D.: 4140 P.B.T.D.: 4092 Anhydrite Depth: 350
(Stone Corral Formation)

Condition of Well: Good Poor Casing Leak Junk in Hole

Proposed Method of Plugging (attach a separate page if additional space is needed): As per KCC Rules and Regulations

RECEIVED
KANSAS CORPORATION COMMISSION

Is Well Log attached to this application as required? Yes No Is ACO-1 filed? Yes No

APR 07 2008

If not explain why? Log on file with KCC and unknown if any type of ACO-1 is on file.

CONSERVATION DIVISION
WICHITA, KS

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission.

List Name of Company Representative authorized to be in charge of plugging operations: Robin Brown

Phone: (620) 546-4801

Address: 100 S. Main, Ste 420 City / State: Wichita, Kansas 67202

Plugging Contractor: Genesis Well Service KCC License #: 33093
(Company Name) (Contractor's)

Address: 1303 N. Main, Pratt, Kansas 67124 Phone: (620) 770-0621

Proposed Date and Hour of Plugging (if known?): May 20, 2008

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Date: 4/3/08 Authorized Operator / Agent: _____
(Signature)

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

KANSAS

CORPORATION COMMISSION

Kathleen Sebelius, Governor Thomas E. Wright, Chairman Michael C. Moffet, Commissioner Joseph F. Harkins, Commissioner

NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)

LOTUS OPERATING COMPANY, L.L.C.
100 S MAIN STE 420
WICHITA, KS 67202-3737

May 01, 2008

Re: ROYCE A #2
API 15-155-21329-00-01
16-25S-9W, 1006 FSL 1989 FEL
RENO COUNTY, KANSAS

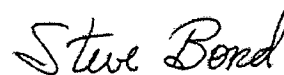
Dear Operator:

This letter is to notify you that the Conservation Division has received your plugging proposal, form CP-1, for the above well and has reviewed the proposal for completeness. The central office will now forward your CP-1 to the district office listed below for review of the proposed plugging method. **Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113(b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit in accordance with K.A.R. 82-3-600.**

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well. This notice in no way constitutes authorization to plug the above well by persons not having legal rights of ownership or interest in the well.

This notice is void after October 28, 2008. The CP-1 filing does not bring the above well into compliance with K.A.R. 82-3-111 with regard to the Commission's temporary abandonment requirements.

Sincerely,



Steve Bond
Production Department Supervisor

District: #2
3450 N. Rock Road, Suite 601
Wichita, KS 67226
(316) 630-4000