

KANSAS CORPORATION COMMISSION 1048816
OIL & GAS CONSERVATION DIVISION

Form ACO-1
June 2009

Form Must Be Typed
Form must be Signed
All blanks must be Filled

WELL COMPLETION FORM
WELL HISTORY - DESCRIPTION OF WELL & LEASE

OPERATOR: License # 31980
Name: Lotus Operating Company, L.L.C.
Address 1: 100 S MAIN STE 420
Address 2: _____
City: WICHITA State: KS Zip: 67202 + 3737
Contact Person: Tim Hellman
Phone: (316) 262-1077
CONTRACTOR: License # 5929
Name: Duke Drilling Co., Inc.
Wellsite Geologist: Joe Baker & Tim Hellman
Purchaser: ONEOK, High Sierra Crude

Designate Type of Completion:

- New Well Re-Entry Workover
- Oil WSW SWD SIOW
 Gas D&A ENHR SIGW
 OG GSW Temp. Abd.
 CM (Coal Bed Methane)
 Cathodic Other (Core, Expl., etc.): _____

If Workover/Re-entry: Old Well Info as follows:

Operator: _____

Well Name: _____

Original Comp. Date: _____ Original Total Depth: _____

- Deepening Re-perf. Conv. to ENHR Conv. to SWD
 Conv. to GSW
- Plug Back: _____ Plug Back Total Depth _____
 Commingled Permit #: _____
 Dual Completion Permit #: _____
 SWD Permit #: _____
 ENHR Permit #: _____
 GSW Permit #: _____

<u>09/22/2010</u>	<u>09/29/2010</u>	<u>10/06/2010</u>
Spud Date or Recompletion Date	Date Reached TD	Completion Date or Recompletion Date

API No. 15 - 15-007-23590-00-00

Spot Description: _____
NW SE SE SE Sec. 25 Twp. 34 S. R. 12 East West
495 Feet from North / South Line of Section
495 Feet from East / West Line of Section

Footages Calculated from Nearest Outside Section Corner:

- NE NW SE SW

County: Barber

Lease Name: Rose Well #: 2

Field Name: Stranathan

Producing Formation: Misener Sd

Elevation: Ground: 1398 Kelly Bushing: 1406

Total Depth: 5252 Plug Back Total Depth: 5157

Amount of Surface Pipe Set and Cemented at: 282 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set: _____ Feet

If Alternate II completion, cement circulated from: _____

feet depth to: _____ w/ _____ sx cmt.

Drilling Fluid Management Plan

(Data must be collected from the Reserve Pit)

Chloride content: 62000 ppm Fluid volume: 1200 bbls

Dewatering method used: Hauled to Disposal

Location of fluid disposal if hauled offsite:

Operator Name: Lotus Operating Company, LLC

Lease Name: CR Wetz SWDW License #: 31980

Quarter NE Sec. 1 Twp. 35 S. R. 12 East West

County: Barber Permit #: 15-007-20734-0001

AFFIDAVIT

I am the affiant and I hereby certify that all requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Submitted Electronically

KCC Office Use ONLY

- Letter of Confidentiality Received
Date: 01/06/2011
- Confidential Release Date: 01/05/2013
- Wireline Log Received
- Geologist Report Received
- UIC Distribution
- ALT I II III Approved by: NAOMI JAMES Date: 01/12/2011

Operator Name: Lotus Operating Company, L.L.C. Lease Name: Rose Well #: 2
 Sec. 25 Twp. 34 S. R. 12 East West County: Barber

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all final copies of drill stems tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface test, along with final chart(s). Attach extra sheet if more space is needed. Attach complete copy of all Electric Wire-line Logs surveyed. Attach final geological well site report.

Drill Stem Tests Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>(Attach Additional Sheets)</i> Samples Sent to Geological Survey <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cores Taken <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Electric Log Run <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Electric Log Submitted Electronically <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <i>(If no, Submit Copy)</i> List All E. Logs Run: Attached	<input checked="" type="checkbox"/> Log Formation (Top), Depth and Datum <input type="checkbox"/> Sample <table style="width:100%; border: none;"> <tr> <td style="width:60%; border: none;">Name Attached</td> <td style="width:20%; border: none;">Top Attached</td> <td style="width:20%; border: none;">Datum Attached</td> </tr> </table>	Name Attached	Top Attached	Datum Attached
Name Attached	Top Attached	Datum Attached		

CASING RECORD <input checked="" type="checkbox"/> New <input type="checkbox"/> Used							
Report all strings set-conductor, surface, intermediate, production, etc.							
Purpose of String	Size Hole Drilled	Size Casing Set (In O.D.)	Weight Lbs. / Ft.	Setting Depth	Type of Cement	# Sacks Used	Type and Percent Additives
Surface	14.75	10.75	28	282	60/40 poz mix	235	2% g, 3% cc
Production	7.875	5.5	14	5201	Class A ASC	225	latex

ADDITIONAL CEMENTING / SQUEEZE RECORD				
Purpose:	Depth Top Bottom	Type of Cement	# Sacks Used	Type and Percent Additives
___ Perforate				
___ Protect Casing	-			
___ Plug Back TD				
___ Plug Off Zone	-			

Shots Per Foot	PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated	Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used)	Depth
4	5061-64	None	5061-64

TUBING RECORD:	Size: 2.875	Set At: 5061	Packer At: None	Liner Run: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Date of First, Resumed Production, SWD or ENHR. 10/18/2010		Producing Method: <input checked="" type="checkbox"/> Flowing <input type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) _____		
Estimated Production Per 24 Hours	Oil Bbls. 2	Gas Mcf 1600	Water Bbls. 0	Gas-Oil Ratio
				Gravity

DISPOSITION OF GAS: <input type="checkbox"/> Vented <input checked="" type="checkbox"/> Sold <input type="checkbox"/> Used on Lease <i>(If vented, Submit ACO-18.)</i>	METHOD OF COMPLETION: <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled <i>(Submit ACO-5)</i> <input type="checkbox"/> Other (Specify) _____	PRODUCTION INTERVAL: _____ _____
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Form	ACO1 - Well Completion
Operator	Lotus Operating Company, L.L.C.
Well Name	Rose 2
Doc ID	1048816

All Electric Logs Run

Dual Induction
Neutron Density w/PE
Micro
Sonic

Form	ACO1 - Well Completion
Operator	Lotus Operating Company, L.L.C.
Well Name	Rose 2
Doc ID	1048816

Tops

Heebner	3788	-2382
KC	4299	-2893
BKC	4535	-3129
Miss	4731	-3325
Kind	4955	-3549
Viola	5110	-3704
Simp SH	5199	-3793
LTD	5252	-3846



PO BOX 31 Russell, KS 67665

RECEIVED

SEP 30 2010

INVOICE

Invoice Number: 124607

Invoice Date: Sep 22, 2010

Page: 1

Voice: (785) 483-3887

Fax: (785) 483-5566

Bill To:

Lotus Operating Co., LLC
Lotus Exploration Co.
100 S. Main, STE 420
Wichita, KS 67202

Customer ID	Well Name# or Customer P.O.	Payment Terms	
Lotus	Rose #2	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-01	Medicine Lodge	Sep 22, 2010	10/22/10

Quantity	Item	Description	Unit Price	Amount
141.00	MAT	Class A Common	15.45	2,178.45
94.00	MAT	Pozmix	8.00	752.00
4.00	MAT	Gel	20.80	83.20
8.00	MAT	Chloride	58.20	465.60
247.00	SER	Handling	2.40	592.80
15.00	SER	Mileage 247 sx @ .10 per sk per mi	24.70	370.50
1.00	SER	Surface	1,018.00	1,018.00
15.00	SER	Pump truck Mileage	7.00	105.00

ENTERED

SEP 30 2010

GL# 9208
DESC. Cement Surface CS9
w/ 235 SX 60/40 Pozmix.
2
WELL # Rose 1

ALL PRICES ARE NET, PAYABLE
30 DAYS FOLLOWING DATE OF
INVOICE. 1 1/2% CHARGED
THEREAFTER. IF ACCOUNT IS
CURRENT, TAKE DISCOUNT OF

\$ 1391.39

ONLY IF PAID ON OR BEFORE
Oct 17, 2010

Subtotal	5,565.55
Sales Tax	253.99
Total Invoice Amount	5,819.54
Payment/Credit Applied	
TOTAL	5,819.54

1391.39

4428.15

ALLIED CEMENTING CO., LLC. 041399

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Medicine Lodge

DATE	9-22-10	SEC.	25	TWP.	34s	RANGE	12 W	CALLED OUT	ON LOCATION	JOB START	JOB FINISH
LEASE	<i>Rose</i>	WELL #	<i>2</i>	LOCATION	<i>Medicine Lodge, KS</i>			COUNTY	<i>Barber</i>	STATE	<i>KS</i>
OLD OR NEW (Circle one)	<i>South on 281, to Little shale rd W/S</i>										

CONTRACTOR *Duke #2* OWNER *Lotus Operating*

TYPE OF JOB *Surface*

HOLE SIZE	T.D.
CASING SIZE <i>10 3/4</i>	DEPTH <i>270'</i>
TUBING SIZE <i>8 5/8</i>	DEPTH <i>12</i>
DRILL PIPE	DEPTH <i>282'</i>
TOOL	DEPTH
PRES. MAX	MINIMUM
MEAS. LINE	SHOE JOINT
CEMENT LEFT IN CSG. <i>20'</i>	
PERFS.	
DISPLACEMENT	

CEMENT AMOUNT ORDERED
2.35 SX 60:40:2+3%cc

COMMON	<i>A</i>	<i>141 SX</i>	@	<i>15.45</i>	<i>2178.4</i>
POZMIX		<i>94 SX</i>	@	<i>8.00</i>	<i>752.00</i>
GEL		<i>4 SX</i>	@	<i>20.80</i>	<i>83.20</i>
CHLORIDE		<i>8 SX</i>	@	<i>58.20</i>	<i>465.60</i>
ASC			@		

EQUIPMENT

PUMP TRUCK	CEMENTER	<i>Carl Bajding</i>
# <i>360-265</i>	HELPER	<i>Matt Thimesch</i>
BULK TRUCK		
# <i>364</i>	DRIVER	<i>Jason Thimesch</i>
BULK TRUCK		
#	DRIVER	

HANDLING	<i>247</i>	@	<i>2.40</i>	<i>592.80</i>
MILEAGE	<i>247/10/15</i>			<i>370.50</i>
				TOTAL <i>4442.55</i>

REMARKS:

*Run 270' 10 3/4 casing
with a 12' 8 5/8 landing joint
break circulation with rig
Mix 2.35 sx 60:40:2+3%cc
Displace with 26 BB's
Fresh water, leave 20' cement
in casing + shut in.
Cement did circulate*

SERVICE

DEPTH OF JOB	<i>282'</i>		
PUMP TRUCK CHARGE	<i>1018.00</i>		
EXTRA FOOTAGE		@	
MILEAGE	<i>15</i>	@	<i>7.00 105.00</i>
MANIFOLD		@	
		@	
		@	

CHARGE TO: *Lotus Operating*

STREET _____

CITY _____ STATE _____ ZIP _____

TOTAL *1123.00*

PLUG & FLOAT EQUIPMENT

	@	
	@	
	@	



PO BOX 31 Russell, KS 67665

RECEIVED

INVOICE

Invoice Number: 124670

Invoice Date: Sep 29, 2010

Page: 1

Voice: (785) 483-3887

Fax: (785) 483-5566

Bill To:
Lotus Operating Co., LLC Lotus Exploration Co. 100 S. Main, STE 420 Wichita, KS 67202

Customer ID	Well Name# or Customer P.O.	Payment Terms	
Lotus	Rose #2	Net 30 Days	
Job Location	Camp Location	Service Date	Due Date
KS1-02	Medicine Lodge	Sep 29, 2010	10/29/10

Quantity	Item	Description	Unit Price	Amount
24.00	MAT	Class A Common	15.45	370.80
16.00	MAT	Pozmix	8.00	128.00
2.00	MAT	Gel	20.80	41.60
225.00	MAT	ASC Class A	18.60	4,185.00
1,125.00	MAT	Kol Seal	0.89	1,001.25
105.75	MAT	FL-160	13.30	1,406.48
320.00	SER	Handling	2.40	768.00
15.00	SER	Mileage 320 sx @ .10 per sk per mi	32.00	480.00
1.00	SER	Production Casing	2,092.00	2,092.00
15.00	SER	Pump Truck Mileage	7.00	105.00
1.00	EQP	5.5 Guide Shoe	100.80	100.80
1.00	EQP	5.5 AFU Float Shoe	112.00	112.00
1.00	EQP	5.5 Rubber Plug	74.00	74.00
5.00	EQP	5.5 Centralizer	32.20	161.00
2.00	EQP	5.5 Basket	161.00	322.00

ALL PRICES ARE NET, PAYABLE 30 DAYS FOLLOWING DATE OF INVOICE. 1 1/2% CHARGED THEREAFTER. IF ACCOUNT IS CURRENT, TAKE DISCOUNT OF

\$ 2836.98

ONLY IF PAID ON OR BEFORE

Oct 24, 2010

Subtotal	11,347.93
Sales Tax	576.91
Total Invoice Amount	11,924.84
Payment/Credit Applied	
TOTAL	11,924.84

GL# 9308
DESC. cement prod csq
w/ 265 sx w/ 60/40 oz/min

2836.98
9087.86

ALLIED CEMENTING CO., LLC. 037069

REMIT TO P.O. BOX 31
RUSSELL, KANSAS 67665

SERVICE POINT:
Medicine Lake

DATE <u>9-29-2010</u>	SEC. <u>25</u>	TWP. <u>34S</u>	RANGE <u>12W</u>	CALLED OUT <u>12:00 pm</u>	ON LOCATION <u>2:30 pm</u>	JOB START <u>5:30 pm</u>	JOB FINISH <u>6:30 pm</u>
LEASE <u>Rose</u>	WELL # <u>2</u>	LOCATION <u>Medicine Lake, KS south</u>			COUNTY <u>Barber</u>	STATE <u>KS</u>	
OLD OR <u>NEW</u> (Circle one)		<u>to Red Lake Snake Pt, base into</u>					

CONTRACTOR Duke #2 OWNER Lotus Operating

TYPE OF JOB Production

HOLE SIZE 7 7/8 T.D. 5252'

CASING SIZE 5 1/2 DEPTH 5205'

TUBING SIZE DEPTH

DRILL PIPE DEPTH

TOOL DEPTH

PRES. MAX MINIMUM

MEAS. LINE SHOE JOINT 39'

CEMENT LEFT IN CSG.

PERFS.

DISPLACEMENT 127 1/4 bbls of fresh water.

CEMENT

AMOUNT ORDERED 40 sk 60.40 4 1/2 Gal
225 sk class ASC + 5# Kalseal + 1/4 #
Fluorol + .5% FL160

COMMON	<u>A 24 sk</u>	@	<u>15.45</u>	<u>370.80</u>
POZMIX	<u>16 sk</u>	@	<u>8.00</u>	<u>128.00</u>
GEL	<u>2 sk</u>	@	<u>20.80</u>	<u>41.60</u>
CHLORIDE		@		
ASC	<u>225 sk</u>	@	<u>18.60</u>	<u>4185.00</u>
	<u>Kalseal 115</u>	@	<u>.89</u>	<u>1001.25</u>
	<u>FL-160 105.75</u>	@	<u>13.30</u>	<u>1406.47</u>
		@		
		@		
		@		
		@		
		@		
		@		
HANDLING	<u>320</u>	@	<u>2.40</u>	<u>768.00</u>
MILEAGE	<u>320 / .10 / 15</u>			<u>480.00</u>
TOTAL				<u>8381.1</u>

EQUIPMENT

PUMP TRUCK CEMENTER Don E

360-265 HELPER mg + T

BULK TRUCK

381-290 DRIVER CS 11 B

BULK TRUCK

DRIVER

REMARKS:

Pipe on bottom & break circulation
mix 40 sk of cement for Red Lake Holes
mix 225 sk of cement, shut down, wash
pump & lines, Release plug, start displacement
Lift pressure at 72 bbls, slow rate to
3 bpm at 115 bbls, bump plug at 127 1/4
bbls 1100-1400 psi, float did hold

SERVICE

DEPTH OF JOB 5205'

PUMP TRUCK CHARGE 2092.00

EXTRA FOOTAGE @

MILEAGE KS @ 7.00 105.00

MANIFOLD @

Hesavon @ N/C

CHARGE TO: Lotus Operating

STREET _____

CITY _____ STATE _____ ZIP _____

TOTAL 2197.00

PLUG & FLOAT EQUIPMENT

5 1/2

1-Guide Shoe	@	<u>100.80</u>
1-AFU Float	@	<u>112.00</u>
1-Rubber plug	@	<u>74.00</u>
5-Centris 12015	@	<u>32.20</u> <u>161.00</u>



*Mark Parkinson, Governor
Thomas E. Wright, Chairman
Joseph F. Harkins, Commissioner
Ward Loyd, Commissioner*

January 06, 2011

Tim Hellman
Lotus Operating Company, L.L.C.
100 S MAIN STE 420
WICHITA, KS 67202-3737

Re: ACO1
API 15-007-23590-00-00
Rose 2
SE/4 Sec.25-34S-12W
Barber County, Kansas

Dear Production Department:

We are herewith requesting that the Well Completion Form ACO-1 and attached information for the subject well be held confidential for a period of two years.

Should you have any questions or need additional information regarding subject well, please contact our office.

Respectfully,
Tim Hellman