

FOR KCC USE:

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 8-31-97

State of Kansas  
NOTICE OF INTENTION TO DRILL

Must be approved by the K.C.C. five (5) days prior to commencing well.

DISTRICT # 1

SGA?  Yes  No

Expected Spud Date 9-5-97  
month day year

Spot  
C SW NE Sec 28 Twp 31 S, Rg 15 East West

OPERATOR: License # 31980 ✓  
Name: Lotus Operating Co. L.L.C.  
Address: 107 N. Market Suite 416  
City/State/Zip: Wichita, Ks 67202  
Contact Person: Tim Hellman  
Phone: 316-262-1077

1980' feet from South / North line of Section  
1980' feet from East / West line of Section

IS SECTION XX REGULAR      IRREGULAR?

(NOTE: Locate well on the Section Plat on Reverse Side)

County: Barber

Lease Name: Bear Creek Ranch Well #: 1-28

Field Name: Schuetta East Ext.

Is this a Prorated/Spaced Field? .... yes ..X no ✓

Target Formation(s): Douglas, Cherokee, Mississippi

Nearest lease or unit boundary: 660'

Ground Surface Elevation: 1842 feet MSL

Water well within one-quarter mile: .... yes ..X no

Public water supply well within one mile: .... yes ..X no

Depth to bottom of fresh water: 60'

Depth to bottom of usable water: 180' ✓

Surface Pipe by Alternate: ..X 1      2

Length of Surface Pipe Planned to be set: 200' +

Length of Conductor pipe required: 200'

Projected Total Depth: 490'

Formation at Total Depth: Viola

Water Source for Drilling Operations:

... well .... farm pond ..X other

CONTRACTOR: License #: 5929 ✓  
Name: Duke Drlg. Co.

Well Drilled For: Well Class: Type Equipment:

Oil ... Enh Rec ... Infield  Mud Rotary  
 Gas ... Storage  Pool Ext. ... Air Rotary  
... OWMO ... Disposal ... Wildcat ... Cable  
... Seismic; ... # of Holes ... Other  
... Other

If OWMO: old well information as follows:  
Operator: .....  
Well Name: .....  
Comp. Date: ..... Old Total Depth .....

Directional, Deviated or Horizontal wellbore? .... yes XX no  
If yes, true vertical depth: .....  
Bottom Hole Location: .....

Will Cores Be Taken?: .... yes ..X no  
If yes, proposed zone: .....

AFFIDAVIT

RECEIVED  
KANSAS CORPORATION COMMISSION

AUG 22 1997

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-101, et. seq.  
It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; <sup>CONSERVATION DIVISION</sup> in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation; <sup>WICHITA, KS</sup>
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. IF AN ALTERNATE II COMPLETION, PRODUCTION PIPE SHALL BE CEMENTED FROM BELOW ANY USABLE WATER TO SURFACE WITHIN 120 DAYS OF SPUD DATE. IN ALL CASES, NOTIFY DISTRICT OFFICE PRIOR TO ANY CEMENTING.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 8-14-97 Signature of Operator or Agent: [Signature] Title: Managing Member

FOR KCC USE:  
 API # 15- 007-22543-0000  
 Conductor pipe required NONE feet  
 Minimum surface pipe required 200 feet per Alt 1   
 Approved by: DPW 8-26-97  
 This authorization expires: 2-26-98  
 (This authorization void if drilling not started within 6 months of effective date.)  
 Spud date: \_\_\_\_\_ Agent: \_\_\_\_\_

28  
31  
15W

- REMEMBER TO:
- File Drill Pit Application (form CDP-1) with Intent to Drill;
  - File Completion Form ACO-1 within 120 days of spud date;
  - File acreage attribution plat according to field proration orders;
  - Notify appropriate district office 48 hours prior to workover or re-entry;
  - Submit plugging report (CP-4) after plugging is completed;
  - Obtain written approval before disposing or injecting salt water.

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

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

**PLAT OF ACREAGE ATTRIBUTABLE TO A WELL IN A PRORATED OR SPACED FIELD**

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API NO. 15- \_\_\_\_\_  
 OPERATOR Lotus Operating Co. L.L.C.  
 LEASE Bear Creek Ranch  
 WELL NUMBER 1-28  
 FIELD Schuette East

LOCATION OF WELL: COUNTY Barber  
 \_\_\_\_\_ feet from ~~south~~ north/north line of section  
 \_\_\_\_\_ feet from east/~~west~~ line of section  
 SECTION 28 TWP 31s RG 15w

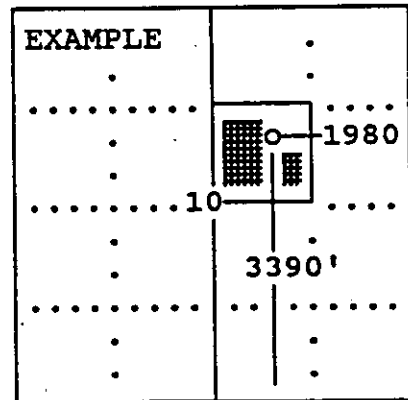
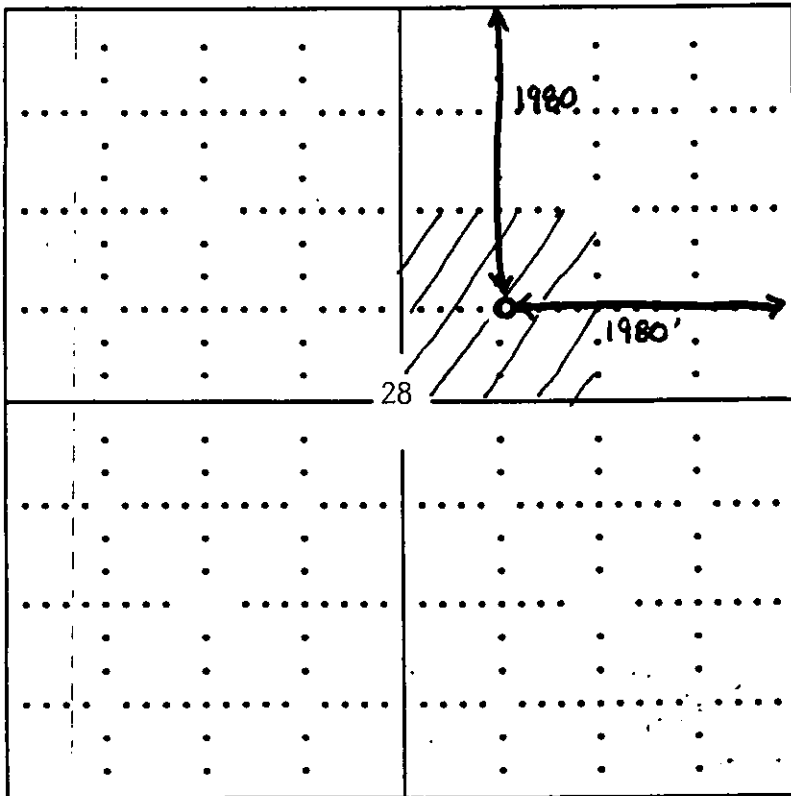
NUMBER OF ACRES ATTRIBUTABLE TO WELL 40  
 QTR/QTR/QTR OF ACREAGE C - SW - NE

IS SECTION xx REGULAR OR \_\_\_\_\_ IRREGULAR  
**IF SECTION IS IRREGULAR, LOCATE WELL FROM NEAREST CORNER BOUNDARY.**

Section corner used: X NE \_\_\_\_\_ NW \_\_\_\_\_ SE \_\_\_\_\_ SW

**PLAT**

(Show location of the well and shade attributable acreage for prorated or spaced wells.)  
 (Show footage to the nearest lease or unit boundary line.)



SEWARD CO.

**In plotting the proposed location of the well, you must show:**

- 1) The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.;
- 2) the distance of the proposed drilling location from the section's south/north and east/west; and
- 3) the distance to the nearest lease or unit boundary line.