

FOR KCC USE:

CORRECTED LOCATION

CORRECTED

FORM C-1 7/91

FORM MUST BE TYPED

FORM MUST BE SIGNED

ALL BLANKS MUST BE FILLED

EFFECTIVE DATE: 5-28-2001

State of Kansas

DISTRICT #

NOTICE OF INTENTION TO DRILL

SGA? Yes, No

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

Expected Spud Date 6-1-2001 month day year

Spot Address: R12 SW NW Sec 35 Twp 34 S Rg 12 E

OPERATOR: License # 31980 Name: Lotus Operating Co, LLC Address: 100 S Main Ste 520 City/State/Zip: Wichita, Kansas 67202 Contact Person: Tim Hellman Phone: 316-262-1077

* 1755' feet from South / North line of Section * 1790' feet from East / West line of Section IS SECTION XX REGULAR IRREGULAR?

CONTRACTOR: License #: 5929 Name: Duke Drig Co, Inc

(NOTE: Locate well on the Section Plat on Reverse Side) County: Barber Lease Name: Burgess Well #: J "A" Field Name: Stranathan Is this a Prorated/Spaced Field? yes X no Target Formation(s): Mississippi

Well Drilled For: Well Class: Type Equipment: X Oil ... Enh Rec XX Infield XX Mud Rotary ... Gas ... Storage ... Pool Ext. ... Air Rotary ... OWMO ... Disposal ... Wildcat ... Cable ... Seismic; ... # of Holes ... Other If OWMO: old well information as follows: Operator: Well Name: Comp. Date: Old Total Depth

* Nearest lease or unit boundary: 1790 WAS 990 Ground Surface Elevation: 1412 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: 150 Depth to bottom of usable water: 180 Surface Pipe by Alternate: X 1 2 Length of Surface Pipe Planned to be set: 220 Length of Conductor pipe required: NA Projected Total Depth: 5150 Formation at Total Depth: Viola Water Source for Drilling Operations: well farm pond X other

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

* FOOTAGE WAS: 1980' FNL 990' FNL FOOTAGE IS: 1755' FNL 790' FNL

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; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation; 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 IS 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: 5-22-01 Signature of Operator or Agent: [Signature] Title: Managing Member

RECEIVED KANSAS CORPORATION COMMISSION

FOR KCC USE: API # 15- 007-22656-0000 Conductor pipe required NONE feet Minimum surface pipe required 200 feet per Alt. 1 Approved by: [Signature] This authorization expires: 11-23-2001 (This authorization void if drilling not started within 6 months of effective date.) Spud date: Agent:

RECEIVED CORPORATION COMMISSION

JUL 02 2001 6-2-01 CONSERVATION DIVISION WICHITA, KS

MAY 22 2001 5-22-01 CONSERVATION DIVISION WICHITA, KS

- REMEMBER TO: - File Drill Plat Application (form CDP-1) with Intent to Drill; - File Completion Form ACC-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.

32 34 12W

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 and 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. LLC
Lease: Burgess "A"
Well Number: #1
Field: Stranathan

Number of Acres attributable to well: 20
QTR / QTR / QTR of acreage: E/2 - SW - NW

Location of Well: County: Barber
1755 feet from S N (circle one) Line of Section
790 feet from E W (circle one) Line of Section
Sec. 35 Twp. 34 S. R. 12 East West

Is Section Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: 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.)

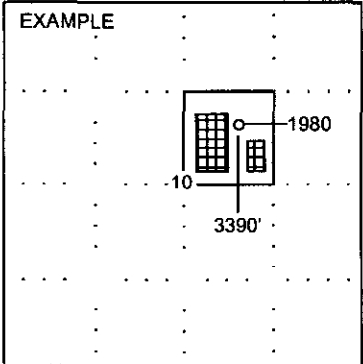
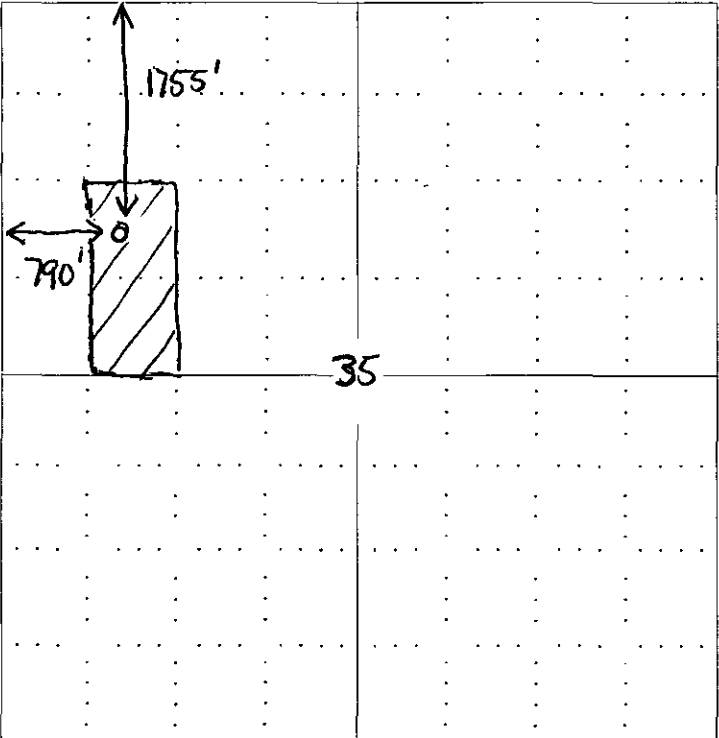
RECEIVED

WAS CORPORATION COMMISSION

JUL 02 2001

7-2-01

CONSERVATION DIVISION
WICHITA, KS



SEWARD CO.

NOTE: In all cases locate the spot of the proposed drilling locaton.

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.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).