TO:
STATE CORPORATION COMMISSION
CONSERVATION DIVISION - PLUGGING
130 SOUTH MARKET, SUITE 2078
WICHITA, KANSAS 67202

Operator License No.: 31980
Op Name: LOTUS OPERATING COMPANY, L.L.C.
Address: 100 S. MAIN, STE 420
          WICHITA, KS 67202

API Well Number: 15-025-21305-00-00
Spot: NENE          Sec/Townshp/Rge: 11-32S-22W
       660 feet from N Section Line,
       660 feet from E Section Line
Lease Name: ALDRIED MILLER          Well #: 1
County: CLARK          Total Vertical Depth: 6600 feet

String | Size | Depth (ft) | Pulled (ft) | Comment
       |      |           |            |
SURF   | 8.625| 727       |

Well Type: DH          UIC Docket No:
Plug Co. License No.: 5822          Date/Time to Plug: 08/23/2005 12:00 AM
Plug Co. Name: VAL ENERGY, INC.
Proposal Rcvd. from: SKIP SMITH          Company: VAL ENERGY, INC.
          Phone: (316) 263-6688

Proposed Plugging Method:
1ST PLUG AT 1200' WITH 50 SX CMT. 2ND PLUG AT 750' WITH 50 SX CMT. 3RD PLUG AT 260' WITH 40 SX CMT. 4TH PLUG AT 40' WITH 10 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 6TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Plugging Proposal Received By: RICHARD LACEY
Witness Type: NONE
Date/Time Plugging Completed: 08/23/2005 2:15 AM
KCC Agent: RICHARD LACEY

Actual Plugging Report:
1ST PLUG AT 1200' WITH 50 SX CMT. 2ND PLUG AT 750' WITH 50 SX CMT. 3RD PLUG AT 260' WITH 40 SX CMT. 4TH PLUG AT 40' WITH 10 SX CMT. 5TH PLUG TO CIRCULATE RAT HOLE WITH 15 SX CMT. 6TH PLUG TO CIRCULATE MOUSE HOLE WITH 10 SX CMT.

Remarks: USED 60/40 POZMIX 6% GEL BY ALLIED.

Plugged through: DP

RECEIVED
SEP 19 2005
KCC WICHITA

INVOICED
DATE 9/21/05
REV. NO. 2006.06.04.64