

For KCC Use: 11-14-04
 Effective Date: 11-14-04
 District #: 4
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

FIRST CORRECTED Form C-1
 December 2002
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date November 27, 2004
 month day year

OPERATOR: License# 33335
 Name: IA Operating, Inc.
 Address: 900 N Tyler Rd #14
 City/State/Zip: Wichita KS 67212
 Contact Person: Hal Porter
 Phone: 316-721-0036

CONTRACTOR: License# 30606
 Name: Murfin Drilling Company, Inc.

Well Drilled For:	Well Class:	Type Equipment:
<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Enh Rec	<input checked="" type="checkbox"/> Infield
<input type="checkbox"/> Gas	<input type="checkbox"/> Storage	<input type="checkbox"/> Pool Ext.
<input type="checkbox"/> OWWO	<input type="checkbox"/> Disposal	<input type="checkbox"/> Wildcat
<input type="checkbox"/> Seismic; # of Holes	<input type="checkbox"/> Other	<input type="checkbox"/> Cable
<input type="checkbox"/> Other		

If OWWO: old well information as follows:

Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth: _____

Bottom Hole Location: _____

KCC DKT #: _____

*WAS: ALT-2, 200' min. (SURFACE)
 IS: ALT-1, 960' min. PIPE

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 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 II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 days** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **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: November 5, 2004 Signature of Operator or Agent: Hal Porter Title: President

For KCC Use ONLY
 API # 15 - 147-20604-00-00
 Conductor pipe required NONE feet
 * Minimum surface pipe required 300 960 feet per Alt. 60
 Approved by: RJP 11-9-04 / RJP 11-30-04
 This authorization expires: 5-9-05
 (This authorization void if drilling not started within 6 months of effective date.)
 Spud date: _____ Agent: _____

Spot NE NE - NE - SW Sec. 11 Twp. 5 S. R. 20 East West
2600 feet from N / S Line of Section
2565 feet from E / W Line of Section
 Is SECTION Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)

County: Phillips

Lease Name: Charlotte Unit Well #: 11-1

Field Name: _____

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): LKC, Arb, Reagan Sand

Nearest Lease or unit boundary: 330 feet (see Unit Declaration)

Ground Surface Elevation: 2060' approx _____ feet MSL

Water well within one-quarter mile: Yes No

Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 180

Depth to bottom of usable water: 940

Surface Pipe by Alternate: 1 2

Length of Surface Pipe Planned to be set: 200 feet 960' min

Length of Conductor Pipe required: None

Projected Total Depth: 3600

Formation at Total Depth: ARB

Water Source for Drilling Operations:

Well Farm Pond Other X

DWR Permit #: _____

(Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone: _____

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.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well Not Drilled - Permit Expired
 Signature of Operator or Agent: _____
 Date: _____

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

11
5
2004