

* 8-29-08
CORRECTED

Form C-1
October 2007
Form must be Typed
Form must be Signed
All blanks must be Filled

For KCC Use:
Effective Date: 8-12-08
District #: 4
SGA? Yes No

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL
Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date: August 20, 2008
month day year

OPERATOR: License# 33335
Name: IA Operating, Inc.
Address 1: 9915 W 21st Street N
Address 2: Suite B
City: Wichita State: KS Zip: 67205
Contact Person: Hal Porter
Phone: 316-721-0036
CONTRACTOR: License# 30606
Name: Murfin Drilling Company, Inc.

Well Drilled For: Oil Gas Seismic; # of Holes Other: _____
Well Class: Enh Rec Storage Disposal Other: _____
Type Equipment: Mud Rotary Air Rotary Cable Infield Pool Ext. Wildcat

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: NE-SE-NE; 1440' FSL Water well w/ 1/2 mile: No
IS: SE-NE-SE; 1440' FSL " " " " : YES

Spot Description: _____
* SE - NE - SE. Sec. 33 Twp. 8 S. R. 26 E W
(1/4/4) * 1,440 feet from N / S Line of Section
330 feet from E / W Line of Section
Is SECTION: Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Sheridan
Lease Name: Harry Pratt Well #: 33-2
Field Name: Unnamed
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Lansing Kansas City
Nearest Lease or unit boundary line (in footage): 330
Ground Surface Elevation: 2600 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: 150
Depth to bottom of usable water: 1300
Surface Pipe by Alternate: I II
Length of Surface Pipe Planned to be set: 200'
Length of Conductor Pipe (if any): 200'
Projected Total Depth: None
Formation at Total Depth: Conglomerate
Water Source for Drilling Operations:
 Well Farm Pond Other: _____
DWR Permit #: _____
(Note: Apply for Permit with DWR
Will Cores be taken? Yes No
If Yes, proposed zone: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55-1101, 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 correct to the best of my knowledge and belief.

Date: July 29, 2008 Signature of Operator or Agent: [Signature] Title: President

For KCC Use ONLY
API # 15 - 179-21206-0000
Conductor pipe required None feet
Minimum surface pipe required 200 feet per ALT. I II
Approved by: Rcut 8-7-08 / RW 8-29-08
This authorization expires: 8-7-09
(This authorization void if drilling not started within 12 months of approval date.)
Spud date: _____ Agent: _____

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 (within 60 days);
- 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 Date: _____
Signature of Operator or Agent: _____

RECEIVED
KANSAS CORPORATION COMMISSION
AUG 29 2008
RECEIVED
KANSAS CORPORATION COMMISSION
AUG 26 2008

33
8
26
E
W
KANSAS CORPORATION COMMISSION
WICHITA, KS
CONSERVATION DIVISION

CORRECTED

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: IA Operating, Inc. _____
 Lease: Harry Pratt _____
 Well Number: 33-2 _____
 Field: Unnamed _____

Location of Well: County: Sheridan _____
 1,440 feet from N / S Line of Section
 330 feet from E / W Line of Section
 Sec. 33 Twp. 8 S. R. 26 E W

Number of Acres attributable to well: _____
 QTR/QTR/QTR/QTR of acreage: SE - NE - SE - _____

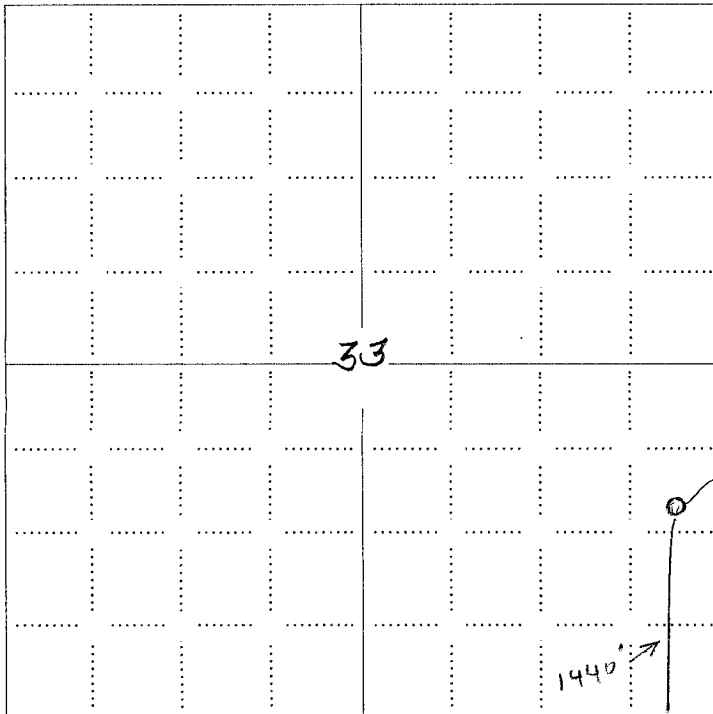
Is Section: Regular or Irregular

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

Section corner used: NE NW SE SW

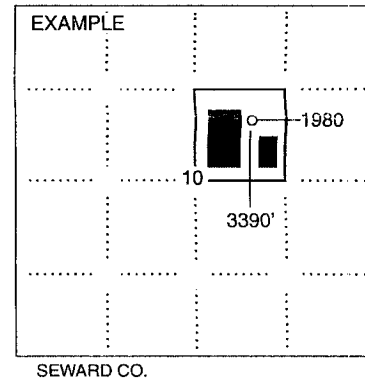
PLAT

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



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

RECEIVED
 KANSAS CORPORATION COMMISSION
AUG 26 2008
 CONSERVATION DIVISION
 WICHITA, KS



RECEIVED
 KANSAS CORPORATION COMMISSION

AUG 29 2008

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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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).

CONSERVATION DIVISION
 WICHITA, KS

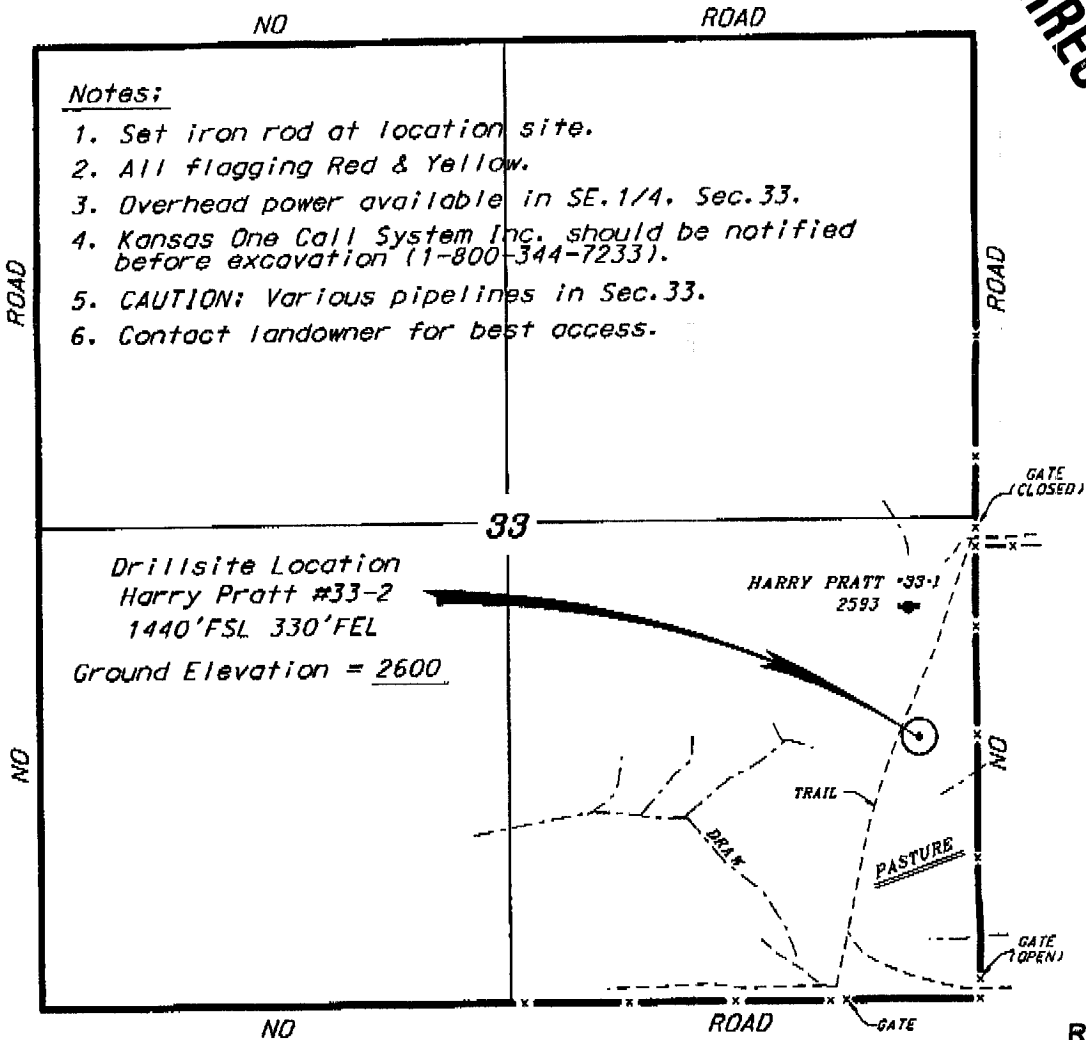
JA OPERATING, INC.
HARRY PRATT LEASE
SE. 1/4, SECTION 33, T8S, R26W
SHERIDAN COUNTY, KANSAS

CORRECTED

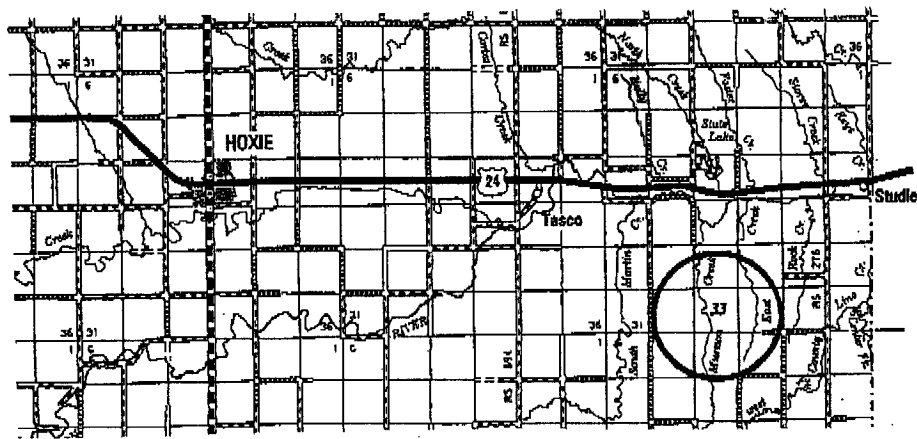
Notes:

1. Set iron rod at location site.
2. All flagging Red & Yellow.
3. Overhead power available in SE. 1/4, Sec. 33.
4. Kansas One Call System Inc. should be notified before excavation (1-800-344-7233).
5. CAUTION: Various pipelines in Sec. 33.
6. Contact landowner for best access.

*Ingress and egress to location as shown on this plot is per usage only and may not be legally opened for public use. Contact landowner, tenant and county road department for access.



Drillsite Location
Harry Pratt #33-2
1440'FSL 330'FEL
Ground Elevation = 2600



RECEIVED
KANSAS CORPORATION CO

AUG 29 2008

CONSERVATION DIVISION
WICHITA, KS

RECEIVED
KANSAS CORPORATION COMMISSION
AUG 26 2008
CONSERVATION DIVISION
WICHITA, KS

August 20, 2008

Date

* Controlling data is based upon the best maps and photographs available to us and upon a regular section of land containing 640 acres.
 * Approximate section lines were determined using the normal standards of care of oilfield surveyors practicing in the state of Kansas. The section corners, which establish the precise section lines, were not necessarily located, and the exact location of the drillsite location in the section is not guaranteed. Therefore, the operator assuming this service and occupying this plot and all other parties relying thereon agree to hold Central Kansas Oilfield Services, Inc., its officers and employees harmless from all losses, costs and expenses and all entities released from any liability from incidental or consequential damages.
 * Elevations derived from National Geodetic Vertical Datum.

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT

Form CDP-1
April 2004
Form must be Typed

Submit in Duplicate

CORRECTED

Operator Name: IA Operating, Inc.		License Number: 33335	
Operator Address: 9915 W 21st Street N		Suite B Wichita KS	
Contact Person: Hal Porter		Phone Number: 316-721-0036	
Lease Name & Well No.: Harry Pratt 33-2		Pit Location (QQQQ): SE NE SE	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit (If WP Supply API No. or Year Drilled)		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 400 _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l (For Emergency Pits and Settling Pits only)	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
How is the pit lined if a plastic liner is not used?			
Pit dimensions (all but working pits): <u>100</u> Length (feet) <u>100</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>4</u> (feet) <input type="checkbox"/> No Pit			
If the pit is lined give a brief description of the liner material, thickness and installation procedure.		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring.	
Distance to nearest water well within one-mile of pit <u>859</u> feet Depth of water well <u>140</u> feet		Depth to shallowest fresh water <u>100</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: <u>Bentonite</u> Number of working pits to be utilized: <u>4</u> Abandonment procedure: <u>Allow to dry, backfill and level</u> Drill pits must be closed within 365 days of spud date.	
I hereby certify that the above statements are true and correct to the best of my knowledge and belief.		RECEIVED KANSAS CORPORATION COMMISSION AUG 26 2008 CONSERVATION DIVISION WICHITA, KS	
July 29, 2008 Date		AUG 29 2008 Signature of Applicant or Agent CONSERVATION DIVISION WICHITA, KS	
KCC OFFICE USE ONLY Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> R.F.A.S. <input type="checkbox"/>			
Date Received: <u>8/29/08</u> Permit Number: _____ Permit Date: <u>8/29/08</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			