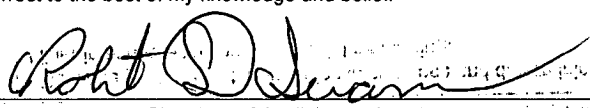


**KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
APPLICATION FOR SURFACE PIT**

Form CDP-1
May 2010
Form must be Typed

Submit in Duplicate

Operator Name: IA Operating, Inc		License Number: 33335	
Operator Address: 9915 W 21st Street, Ste B, Wichita, KS 67205			
Contact Person: Robert Swann		Phone Number: 316-721-0036	
Lease Name & Well No.: Shelby 16-1		Pit Location (QQQQ): SW - NW - NE -	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input type="checkbox"/> Drilling Pit <input checked="" type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 600 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>	
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?		Sec. 16 Twp. 14 R. 20 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 900 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 2,140 Feet from <input checked="" type="checkbox"/> East / <input type="checkbox"/> West Line of Section Ellis County	
Pit dimensions (all but working pits): <u>25</u> Length (feet) <u>10</u> Width (feet) <input type="checkbox"/> N/A: Steel Pits Depth from ground level to deepest point: <u>6</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>N/A</u> feet Depth of water well _____ feet		Depth to shallowest fresh water _____ 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, then 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.			
Date: <u>8/2/2010</u>		Signature of Applicant or Agent: 	

KCC OFFICE USE ONLY			
Date Received: <u>8-3-10</u>	Permit Number: <u>15-051-25484000</u>	Permit Date: <u>8-4-10</u>	Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Liner <input type="checkbox"/> Steel Pit <input type="checkbox"/> RFAC <input type="checkbox"/> RFAS			

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

AUG 03 2010
RECEIVED
KCC WICHITA

KANSAS CORPORATION COMMISSION
CALL-IN WORKOVER PIT APPLICATION

Operator: IA Operating License # 33335

Contact Person: Mike Stanton Phone # _____

Lease Name & Well #: Shelby #16-1 API# _____

Legal Location: NE/4 16-14-20W County: Ellis

Purpose of pit: workover Nature of Fluids: _____

Size: _____ BBL Capacity: 80

Liner required? Yes Liner Specification: plastic

Lease produces from what formations: KC and Regan

Date of Verbal Permit: 8/02/10 KCC Agent: WADJ

Remind operator that the Pit Application still needs to be filed as well as the pit closure form

RECEIVED
AUG 04 2010
KCC WICHITA