

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form ACO-4
Form must be typed
September 2005

APPLICATION FOR COMMINGLING OF
PRODUCTION (K.A.R. 82-3-123) OR FLUIDS (K.A.R. 82-3-123a)

Commingling ID # CO960606

Operator Information:

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

Well Information:

API #: 15 - 051-25501-00-00
Lease Name: Addie Well #: 30-1
Spot: SE - NW - NE - NW Sec. 30 Twp. 14 S. R. 20 East
County: Ellis West
Feet from North / South Line of Section: 500
Feet from East / West Line of Section: 1880

1. Name and upper and lower limit of each production interval to be commingled:

Formation: Marmaton (Perfs): 3834-44'
Formation: LKC. C (Perfs): 3539-48
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____
Formation: _____ (Perfs): _____

2. Estimated amount of fluid production to be commingled from each interval:

Formation: Marmaton BOPD: 6 MCFPD: 0 BWPD: 24
Formation: LKC. C BOPD: 6 MCFPD: 0 BWPD: 24
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____
Formation: _____ BOPD: _____ MCFPD: _____ BWPD: _____

3. Plat map showing the location of the subject well, all other wells on the subject lease, and all wells on offsetting leases within a 1/2 mile radius of the subject well, and for each well the names and addresses of the lessee of record or operator.

4. Signed certificate showing service of the application as required in K.A.R. 82-3-135a(b).

For Commingling of PRODUCTION ONLY, include the following:

- 5. Wireline log of subject well.
- 6. Complete Form ACO-1 (Well Completion form) for the subject well. *on file, confid*

For Commingling of FLUIDS ONLY, include the following:

- 5. Well construction diagram of subject well.
- 6. Any available water chemistry data demonstrating the compatibility of the fluids to be commingled.

State of Kansas)
County of Sedgwick)

ss:

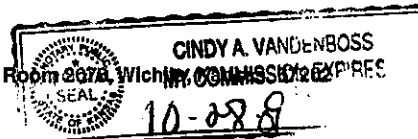
VERIFICATION: I hereby certify that to the best of my current information, knowledge and personal belief, this request for commingling is true and proper and I have no information or knowledge, which is inconsistent with the information supplied in this application.

Signature: Julie Burrows
Printed Name: Julie Burrows
Title: Assistant
Subscribed & sworn to before me this 21 day of June, 20 06
Notary Public: Cindy A. Vandenberg
My Commission Expires: October 28, 2009

RECEIVED
JUN 23 2006
KCC WICHITA

KCC Office Use Only
 Denied Approved
KCC Date Received: 6/23/06 15-Day Periods Ends: 9-11-06
Approved By: Kana 10/22/06 Date: _____

Mail with all required attachments and files to: KCC - Conservation Division, 130 S. Market - Room 207A, Wichita, KS 67202



THE HAYS DAILY NEWS

P. O. Box 857 507 Main St.

Hays, Kansas 67601

Phone (785) 628-1081

PUBLIC NOTICE

Date August 27, 2006

Case _____

Number _____

Billing Name and Address: IA Operating Inc
900 Tyler Road #14
Wichita, KS 67212

1 Tearsheet(s) Required, Send To:

1 Affidavit(s) Required, Send To:

District Court
 Other:



Please Note: Affidavit of Publication will not be furnished until this invoice is paid.

PUBLICATION SCHEDULE			DESCRIPTION OF NOTICE	Rate	Number of Inches	Number of Days	Amount
Day	Date	Appeared ✓					
Sun	Aug 27		Addie 30-1 commingle Production	8.40	5.75	1	\$48.30

IMPORTANT Please Return Duplicate Invoice With Payment

Tearsheets Mailed _____ (Date)

Payment Received _____ (Date)

Affidavit Prepared _____ (Date)

(Published in The Hays Daily News August 27, 2006)
BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS
NOTICE OF FILING APPLICATION
RE: IA OPERATING, INC.
Application for order to commingle production from the Marmaton and LKC C formation at the Addie 30-1, located in the Northwest Quarter (NW/4) Section 30, Township 14 South, Range 20 West, Ellis County, Kansas.
TO: All oil and gas producers, unleased mineral interest owners, landowners and all persons whomsoever concerned. You, and each of you, are hereby notified that IA Operating, Inc. has filed an application to commingle production from the Marmaton and LKC C formation at the Addie 30-1, located in the NW/4 Section 30, Township 14 South, Range 20 West, Ellis County, Kansas. Any persons who object to or protest this application shall be required to file their objections or protests with the Conservation Division of the State Corporation Commission of the State of Kansas within fifteen (15) days from the date of this publication. These protests shall be filed pursuant to Commission regulations and must state specific reasons why the granting of the application may cause waste, violate correlative rights or pollute the natural resources of the State of Kansas. If no protests are received, this application may be granted through a summary proceeding. If valid protests are received, this matter will be set for hearing.
All persons interested or concerned shall take notice of the foregoing and shall govern themselves accordingly.
IA OPERATING, INC.
900 N. TYLER ROAD #14
WICHITA, KANSAS 67212
316-721-0036

RECEIVED
SEP 01 2006
KCC WICHITA

AFFIDAVIT

STATE OF KANSAS \
- SS.
County of Sedgwick /

Milt Mounts, of lawful age, being first duly sworn, deposeth and saith: That he is Record Clerk of The Wichita Eagle, a daily newspaper published in the City of Wichita, County of Sedgwick, State of Kansas, and having a general paid circulation on a daily basis in said County, which said newspaper has been continuously and uninterruptedly published in said County for more than one year prior to the first publication of the notice hereinafter mentioned, and which said newspaper has been entered as second class mail matter at the United States Post Office in Wichita, Kansas, and which said newspaper is not a trade, religious or fraternal publication and that a notice of a true copy is hereto attached was published in the regular and entire Morning issue of said The Wichita Eagle for 1 consecutive issue - weeks, that the first publication of said notice was

made as aforesaid on the 26th day of

August A.D. 2006, with

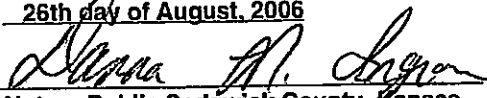
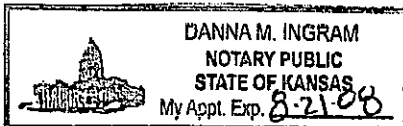
subsequent publications being made on the following dates:

And affiant further says that _____ he has personal knowledge of the statements above set forth and that they are true.



Subscribed and sworn to before me this

26th day of August, 2006


Notary Public Sedgwick County, Kansas

Printer's Fee \$84.00

LEGAL PUBLICATION

Published in the Wichita Eagle
on August 26, 2006
BEFORE THE STATE CORPORATION
COMMISSION OF THE STATE OF KANSAS
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RE: IA OPERATING, INC.-
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IA OPERATING, INC.
900 N. TYLER ROAD #14
WICHITA, KANSAS 67212
(316) 721-0036

RECEIVED
SEP 01 2006
KCC WICHITA

IA Operating, Inc
900 N Tyler Road #14
Wichita, KS 67212
316-721-0036

DOCKET NO. Pending

DATE June 21, 2006

OPERATOR NAME IA Operating, Inc. LEASE NAME Addie 30-1

LEGAL LOCATION SE NW NE NW Sec 30-14S-20W

Please list below the names and addresses of all offsetting operators or lessees of record who have been sent copies of the above-referenced application for commingling (ACO-4) or dual completion (ACO-5)

There are no offset operators

I hereby certify that on this 21 day of June, 2006 caused a true and correct copy of the attached application to be deposited in the United States Mail, postage prepaid, addressed to the above persons.

[Signature]
Operator or Agent

Affidavit

Julie Burrows of lawful age does swear that the facts and statements herein contained are true and correct to the best of my knowledge.

Suscribed and sworn before me this 21 day of June, 2006

My commission expires:
March 10, 2009

RECEIVED
JUN 23 2006
KUKUC WICHITA

IA Operating, Inc
900 N Tyler Road #14
Wichita, KS 67212
316-721-0036

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Suscribed and sworn before me this 21 day of June, 2006

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March 10, 2009

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JUN 23 2006
KUCO WICHITA

KANSAS

CORPORATION COMMISSION

KATHLEEN SEBELIUS, GOVERNOR
BRIAN J. MOLINE, CHAIR
ROBERT E. KREHBIEL, COMMISSIONER
MICHAEL C. MOFFET, COMMISSIONER

October 27, 2006

Hal Porter
IA Operating, Inc.
900 N Tyler Road #14
Wichita, KS 67212

RE: Approved Commingling CO060606
Addie #30-1, Sec. 30-T14S-R20W, Ellis County, Kansas
API No. 15-051-25501-0000

Dear Mr. Porter:

Your "Application for Commingling" (ACO-4) for the above described well has been technically reviewed and approved by the Kansas Corporation Commission (KCC) per **K.A.R. 82-3-123a**. Notice was examined and found to be proper per **K.A.R. 82-3-135a**. No protest had been filed within the 15-day protest period. This application, which was received by the KCC on **June 23, 2006** concerns approval to simultaneously produce from the following **two** sources of supply through the same tubing string in the same wellbore: the **Marmaton** and the **LKC C** formations.

According to your application, the estimated current production from the **Marmaton** source of supply is **6 BOPD, 0 Mcfpd and 24 BWPD**. The estimated current production from the **LKC C** source of supply is **6 BOPD, 0 Mcfpd and 24 BWPD**. The total estimated current production from all sources of supply in the subject well is **12 BOPD, 0 Mcfpd and 48 BWPD**.

Based upon the depth of the **Marmaton** formation perforations, total oil production shall not exceed **100 BOPD** and total gas production shall not exceed **50%** of the absolute open flow (AOF).

Docket Number **CO060606** has been assigned to this approved application. Please use this number for well completion reports (ACO-1) and other correspondence that may concern this approved commingling.

Sincerely,



Rick Hestermann
Professional Geologist