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KCC WICHITA

STATE OF KANSAS
KANSAS CORPORATION COMMISSION
CONSERVATION DIVISION
130 South Market - Room 2078
Wichita, Kansas 67202

FORM CP-1 (3/92)

WELL PLUGGING APPLICATION FORM
(PLEASE TYPE FORM AND FILE ONE COPY)

API# 15-119-10016-00-01 (Identifier number of this well). This must be listed for wells drilled since 1967; if no API# was issued, indicate spud or completion date.

OPERATOR LICENCE #. 32198
OPERATOR NAME. PetroSantander (USA) Inc
ADDRESS. 6363 Woodway #350
Houston
Texas 77057
CONTACT PERSON. Jason Sizemore
PHONE. 713-784-8700

LEASE. Stevens (Morrow Unit)
WELL #. SMU-207
SEC. 2 T. 33S R. 30W
SPOT LOCATION. C-SW-NE
COUNTY. MEADE
1992 ft from N/S line of section
1980 ft from E/W line of section

Check One:

Oil well Gas well _____ D&A _____ Swd/Enhr well _____ Docket # _____

Conductor Casing Size _____ Set at _____ Cemented with _____ Sacks _____

Surface Casing Size 9-5/8" Set at 1609' Cemented with 700 Sacks _____

Production Casing Size 5-1/2" Set at 5828' Cemented with 600 Sacks _____

List (all) perforations and bridgeplug sets: Perfs @ 3 spf 5674 - 5677
Perfs @ 3 spf 5684 - 5702

Elevation: GL 2720' KB 2727' TD 5840' PBSD 5781' Anhdrite (Stone Corral Fm) depth N/A

Condition of well: Good _____ Poor _____ Casing leak 2875' - 3268' Junk in hole _____

Proposed method of plugging: Pull 5-1/2" casing to approx. 2500' Plug @ 2500' w/ 40 sx
Plug @ 1500' w/ 50 sx Plug @ 500' w/ 30 sx
Plug @ surface' w/ 10 sx

(If additional space is needed attach separate page)

Is well log attached to this application as required? No * Is ACO-1 filed? Yes *

If not explain why? * No logs run. New ACO-1 will be filed after plugging

PLUGGING OF THIS WELL WILL BE DONE IN ACCORDANCE WITH K.S.A. 55-101 et. seq. AND THE RULES AND THE REGULATIONS OF THE STATE CORPORATION COMMISSION.

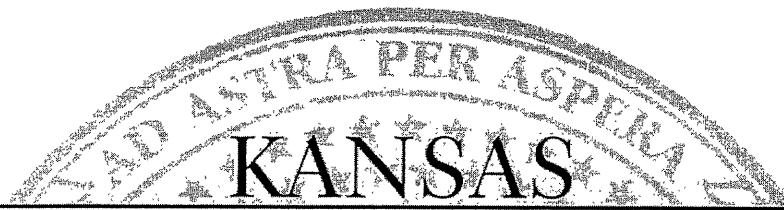
List name of company representative authorized to be in charge of plugging operations:

Name Pete Kuneyl Phone # 316-275-2388
Address 11130 E. 7 Mile Road City/State Garden City, Kansas 67846
Plugging Contractor: Eagle Well Service KCC Contractor License # 7407
Address PO Box 1597, Liberal, KS 67905 Phone # 620-624-1904

PROPOSED DATE AND HOUR OF PLUGGING (if known?) Will advise District office when known

PAYMENT OF THE PLUGGING FEE (K.A.R. 82-3-118) WILL BE GUARANTEED BY OPERATOR OR AGENT

Date 01/27/04 Authorized Operator/Agent [Signature]

**NOTICE OF RECEIPT OF WELL PLUGGING APPLICATION (CP-1)**

PetroSantander (USA) Inc.
6363 Woodway Ste. 350
Houston, TX 77057

February 11, 2004

Re: STEVENS (MORROW) UNIT #207
API 15-119-10016-00-01
SWNE 2-33S-30W, 1980 FNL 1980 FEL
MEADE COUNTY, KANSAS

Dear Operator:

This letter is to notify you that the Conservation Division is in receipt of your plugging proposal, form CP-1, for the above-captioned well.

Your CP-1 has been reviewed by the Conservation Division central office for completeness and to verify license numbers. The plugging proposal will now be forwarded to the district office listed below for review of your proposed method of plugging.

Please contact the district office for approval of your proposed plugging method at least five (5) days before plugging the well, pursuant to K.A.R. 82-3-113 (b). If a workover pit will be used during the plugging of the well it must be permitted. A CDP-1 form must be filed and approved prior to the use of the pit.

The Conservation Division's review of form CP-1, either in the central or district office, does not include an inquiry into well ownership or the filing operator's legal right to plug the well.

This notice in no way constitutes authorization to plug the above-captioned well by persons not having legal rights of ownership or interest in the well. This notice is void after ninety (90) days from the above date.

Sincerely,

David P. Williams
Production Supervisor

District: #1
210 E Frontview, Suite A
Dodge City, KS 67801
(620) 225-8888