

SGA: No

Dist. 1

RECEIVED
KANSAS CORPORATION COMMISSION

MAY 05 2006

CARD MUST BE TYPED
EFFECTIVE DATE

5-13-06

State of Kansas
NOTICE OF INTENTION TO DRILL
HUGOTON INFILL

CONSERVATION DIVISION

WICHITA, KS

Starting Date 5 / 9 / 2006
month day year

API # 15- 055-21915-000 Well # Jones Trust 10-1

OPERATOR License # 32198 ✓
Name Petrosantander (USA) Inc
Address 6363 Woodway, suite 350
City/State/Zip Houston, Texas 77057
Contact Thomas W Nelson
Phone 713-784-8700

Is Section yes Regular Irregular

10 Section 23S Township 31W Range

1320 FSL 1320 FWL ✓

Note:- Attach acreage attribution plat locating both Chase (Hugoton) wells

CONTRACTOR License # 33375 ✓
Name Cheyenne Drilling LP
Address 3728 West Jones Ave
City/State/Zip Garden City, Kansas 67846

Total number of acres attributed to Unit 640 ✓

Nearest producing well from same common source of supply 3313' ✓

Nearest lease or unit boundary line 1320' ✓

Well Drilled as: new yes ✓
recompletion
OWWO

County FINNEY Lease name JONES TRUST

Ground surface elevation 2875 feet MSL

Depth to bottom of fresh water 200 feet

Depth to bottom of usable water 1250 feet

Projected Total Depth 2800 feet ✓

Formation Krider

If OWWO or recompletion, old well info as follows

Surface pipe by Alternate:- 1 2 YES ✓

Surface pipe planned to be set 300 feet

Operator _____

Well name _____

Comp date _____

Old Total Depth _____

Water source for drilling operations:-
* YES well _____ farm pond _____ other _____
* DWR permit # _____

I certify that the well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications

Date 05/04/06 Signature of Operator or Agent Tom Nelson

Title Vice-President Operations

Declaration of Gas Unit Attached.

For KCC use:-
Conductor Pipe required None feet

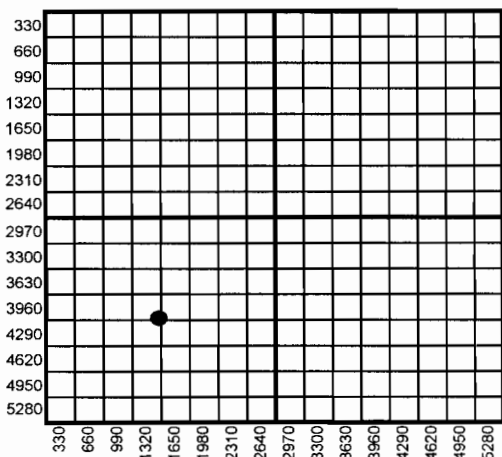
Minimum surface pipe required 220 feet per Alt No 2

This Authorization expires 11-8-06

Approved by RW 5-8-06

Must be filed with K.C.C. five (5) days prior to commencing well

This card void if drilling not started within six (6) months of date received by K.C.C.

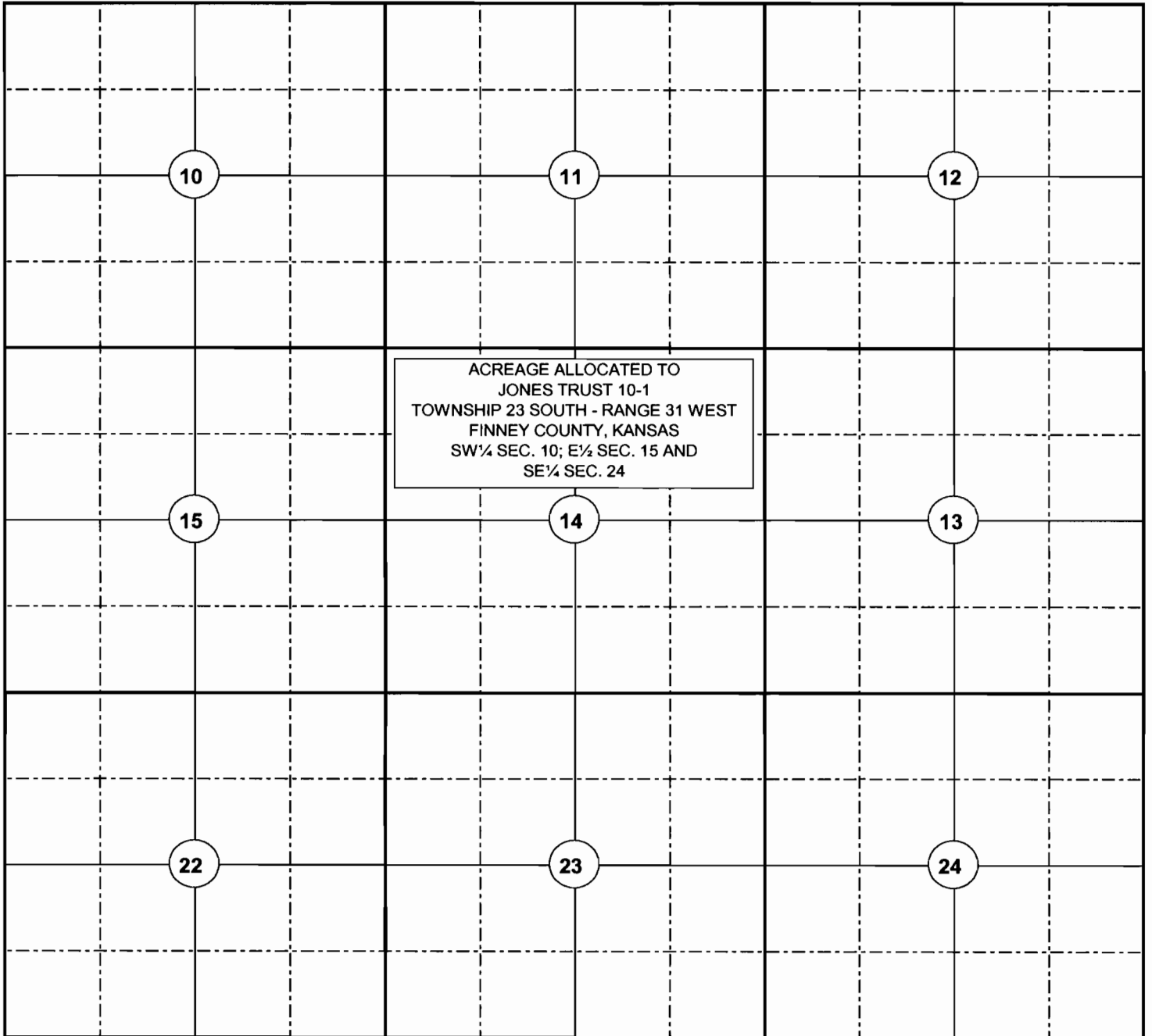


Important procedures to follow :-

1. Notify District office before setting surface casing
2. Set surface casing bt circulating cement to top
3. File completion Form ACO-1 with K.C.C. within 120 days of well spud date following instructions on side 1 of ACO-1, including copies of wireline logs.
4. Notify District office 48 hours prior to old well workover or re-entry
5. Submit plugging report, CP-4, to K.C.C. after plugging is complete
6. If Alternate 2 completion, cement in the production pipe from below any usable water to surface within 120 days od spud date

State Corporation Commission of Kansas
Conservation Division
130 S. Market, room 2078
Wichita, Kansas 67202-1212

10-23-31W



15-055-21915-0000

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CONSERVATION DIVISION
WICHITA, KS

New Application
 Reauthorization
 Permit No. _____

KANSAS CORPORATION COMMISSION
 CONSERVATION DIVISION
 130 S. Market - Room 2078
 Wichita, KS 67202

Form CDP-1
 12/91

APPLICATION FOR SURFACE POND

FORM MUST BE TYPED

Submit in Duplicate

Operator Name PetroSantander (USA) Inc.		License No. 32198	
Operator Address 6363 Woodway, Suite 350, Houston, TX 77057			
Contact Person Thomas W Nelson		Phone No. (713) 784-8700	
Lease Name Jones Trust	(WELL #) Jones Trust 10-1	Pit is <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing	Pit Location SW Qtr. 10 Twp. 23S Rge. 31 E/W
Type of Pond: <input type="checkbox"/> Burn Pit <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Treatment Pit	<input checked="" type="checkbox"/> Drilling Pit	If existing, date constructed _____	1320 Ft from N/S (circle one) Line of Sec 1320 Ft from EW (circle one) Line of Sec Finney County
Pit Capacity 2600 (bbls)		Chloride concentration: _____ mg/l	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (For Emergency Pits and Treatment Pits only)		How is pit lined if a plastic liner is not used? Natural Clay and Drilling Mud	
Is Pit bottom below ground level? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Pit Dimensions (all but working pits): 75 Length (ft) 50 Width (ft) Depth from ground level to deepest point 4 (ft)	
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 2333 ft.		Depth to shallowest fresh water 95 feet	
Depth of water well 220 ft.		Source of Information: NR-KGS <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input type="checkbox"/> KDWR	
EMERGENCY, TREATMENT 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 pond? <input type="checkbox"/> Yes <input type="checkbox"/> No		DRILLING AND WORKOVER PITS ONLY: Type of material utilized in drilling/workover Drilling Mud Number of working pits to be utilized 1 Abandonment procedure: Backfill and level when sufficiently dry 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.			
<u>05/04/06</u> Date		<u>Jim Nelson VP Operations</u> Signature of Applicant or Agent	
KCC OFFICE USE ONLY			
Date Rec'd <u>5/5/06</u>	Permit No. _____	Permit Date <u>5/5/06</u>	Lease Inspection <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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