

For KCC Use:
 Effective Date: 1-12-08
 District # _____
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

Oper. Lic #
CORRECTED
 7-8-08

Form C-1
 December 2002
 Form must be Typed
 Form must be Signed
 All blanks must be Filled

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Expected Spud Date 01 09 2008
month day year

Spot East
~~55~~ SE SE Sec 3 Twp 33 S. R. 30 West
 653 feet from N / S Line of Section
 653 feet from E / W Line of Section
 Is SECTION Regular Irregular?

* OPERATOR: License# ~~32158~~ 32198
 Name: PetroSantander (USA) Inc
 Address: 6363 Woodway #350
 City/State/Zip: Houston, Texas 77099
 Contact Person: Liliana Hernandez
 Phone: 713-784-8700

(Note: Locate well on the Section Plat on reverse side)

County: Meade
 Lease Name: Stevens (Morrow) Unit Well #: SMU 316
 Field Name: Stevens

CONTRACTOR: License# will be advised on ACO-1 *must be licensed by KCC*
 Name: will be advised on ACO-1

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Morrow
 Nearest Lease or unit boundary: 653'
 Ground Surface Elevation: 2719.5' 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: -540'
 Depth to bottom of usable water: 580'
 Surface Pipe by Alternate: 1 2
 Length of Surface Pipe Planned to be set: 1500
 Length of Conductor Pipe required: (none)
 Projected Total Depth: 5900'
 Formation at Total Depth: Mississippian
 Water Source for Drilling Operations:
 Well Farm Pond Other

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

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 #: _____

(Note: Apply for Permit with DWR)
 Will Cores be taken? Yes No
 If Yes, proposed zone: _____

* WAS: Operator License #: 32158
 IS: " " " " 32198

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 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 to the best of my knowledge and belief.
 Date: 2 Jan 2008 Signature of Operator or Agent: [Signature] Title: Land Manager
 William F. Aspinwall

For KCC Use ONLY
 API # 15 - 119-21194-0000
 Conductor pipe required None feet
 Minimum surface pipe required 600 feet per Alt. 1
 Approved by: [Signature] [Signature]
 This authorization expires: 1-7-09
 (This authorization void if drilling not started within 1/2 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;
 - 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
 Signature of Operator or Agent: _____
 Date: _____

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

RECEIVED
 KANSAS CORPORATION COMMISSION

JAN 04 2008

CONSERVATION DIVISION
 WICHITA KS

3-33-30W