

For KCC Use: Effective Date: 10-16-2010 District #: SGA? Yes No

KANSAS CORPORATION COMMISSION OIL & GAS CONSERVATION DIVISION

***Contractor CORRECTED**

Form C-1 March 2010 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

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

Expected Spud Date: 09 29 2010 month day year

OPERATOR: License# 32198 Name: PETROSANTANDER (USA) INC Address 1: 6363 WOODWAY DR # 350 Address 2: City: HOUSTON State: TX Zip: 77057 Contact Person: LILIANA HERNANDEZ Phone: 713-784-8700

Spot Description: NE - NW - NW Sec. 3 Twp. 33 S. R. 30 E W (0000) 450 feet from N / S Line of Section 800 feet from E / W Line of Section

Is SECTION: Regular Irregular?

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

County: MEADE Lease Name: SMU Well #: 304 Field Name: STEVENS

Is this a Prorated / Spaced Field? Yes No

Target Formation(s): LANSING

Nearest Lease or unit boundary line (in footage): 2120'

Ground Surface Elevation: 2735' 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: -540'

Surface Pipe by Alternate: I II

Length of Surface Pipe Planned to be set: 1521'

Length of Conductor Pipe (if any): (NONE)

Projected Total Depth: 5800'

Formation at Total Depth: -MISSISSIPPIAN

Water Source for Drilling Operations: Well Farm Pond Other:

DWR Permit #: (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No

If Yes, proposed zone:

* CONTRACTOR: License# 30684 32457 Name: ABERCROMBIE LTD, INC G&F Resources, Inc Abercrombie Energy LLC

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

If OWWO: old well information as follows:

Operator: PETROSANTANDER (USA) INC Well Name: SMU 304 Original Completion Date: 01-04-2001 Original Total Depth: 5800'

Directional, Deviated or Horizontal wellbore? Yes No

If Yes, true vertical depth:

Bottom Hole Location:

KCC DKT #:

* WAS: Contractor 30684 G&F Resources, Inc. IS: 32457 Abercrombie Energy LLC

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: 09-16-2010 Signature of Operator or Agent: Liliana Hernandez Title: SENIOR ENGINEER

For KCC Use ONLY API # 15: 119-21039-00-01 Conductor pipe required None feet Minimum surface pipe required 1521 feet per ALT. I II Approved by: RWA 10-11-2010 This authorization expires: 10-11-2011 / RWA 10/12/2010 (This authorization void if drilling not started within 12 months of approval date.) Spud date: Agent:

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- 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 (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: Signature of Operator or Agent:

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

OCT 07 2010

KCC WICHITA

RECEIVED SEP 20 2010

KCC WICHITA

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