

For KCC Use:  
 Effective Date: 5-10-2011  
 District # 1  
 SGA?  Yes  No

KANSAS CORPORATION COMMISSION  
 OIL & GAS CONSERVATION DIVISION

Form C-1  
 March 2010

Form must be Typed  
 Form must be Signed  
 All blanks must be Filled

NOTICE OF INTENT TO DRILL *Amendment*

*See Attached*  
 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: 04 27 2011  
 month day year

OPERATOR: License# 32198  
 Name: Petrosantander (USA) INC  
 Address 1: 6363 Woodway Dr. Suite 350  
 Address 2: \_\_\_\_\_  
 City: Houston State: TX Zip: 77057 + \_\_\_\_\_  
 Contact Person: Liliana Hernandez  
 Phone: 713-784-8700

CONTRACTOR: License# \_\_\_\_\_ will advise on ACO-1  
 Name: \_\_\_\_\_ will advise on ACO-1

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

Spot Description: SW - SE - SE - NE Sec. 33 Twp. 32 S. R. 30  E  W  
145 feet from  N /  S Line of Section  
335 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 #: 3316A  
 Field Name: Stevens

Is this a Prorated / Spaced Field?  Yes  No

Target Formation(s): Mississippian/ Morrow/ Lansing

Nearest Lease or unit boundary line (in footage): 20 - 2305 per unit closer

Ground Surface Elevation: 2740 - 2737 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: 540 500

Depth to bottom of usable water: 560 520

Surface Pipe by Alternate:  I  II

Length of Surface Pipe Planned to be set: ~2000'

Length of Conductor Pipe (if any): none

Projected Total Depth: ~6000'

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: \_\_\_\_\_

*Unit order descr. attached.*

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: 04-13-2011 Signature of Operator or Agent: Liliana Hernandez Title: Senior Engineer

For KCC Use ONLY  
 API # 15 - 119-21292-0000  
 Conductor pipe required None feet  
 Minimum surface pipe required 520 feet per ALT.  I  II  
 Approved by: Liliana Hernandez  
 This authorization expires: 5-5-2012  
 (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

33  
32  
30  
 E  
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APR 15 2011

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For KCC Use ONLY

API # 15 - 119-21292-000

**IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW**

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Petrosantander (USA) INC  
Lease: SMU  
Well Number: 3316A  
Field: Stevens

Location of Well: County: Meade  
20 145 feet from  N /  S Line of Section  
500 335 feet from  E /  W Line of Section  
Sec. 33 Twp. 32 S. R. 30  E  W

Number of Acres attributable to well: \_\_\_\_\_  
QTR/QTR/QTR/QTR of acreage: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - NE  
SE

Is Section:  Regular or  Irregular

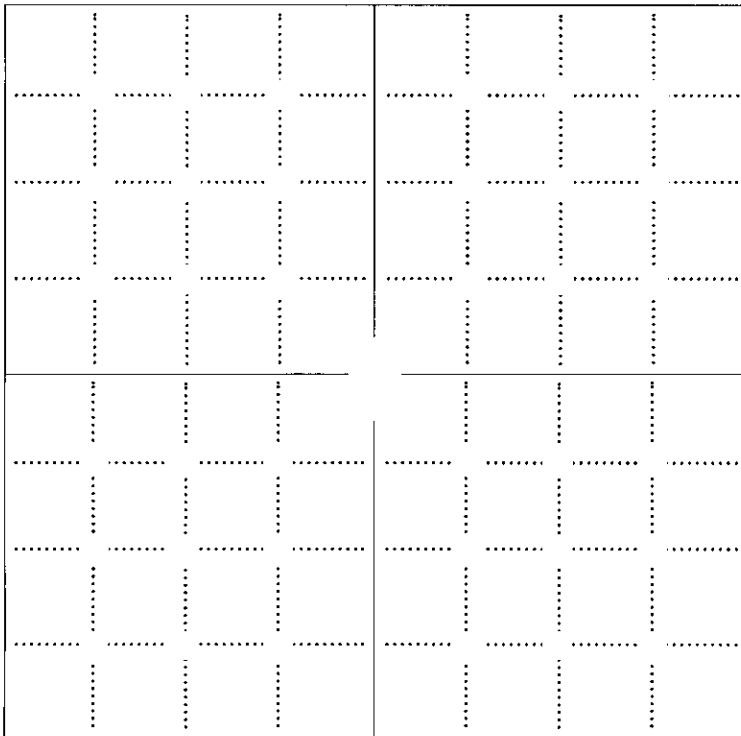
If Section is Irregular, locate well from nearest corner boundary.

Section corner used:  NE  NW  SE  SW

**PLAT**

Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.

See Attached.



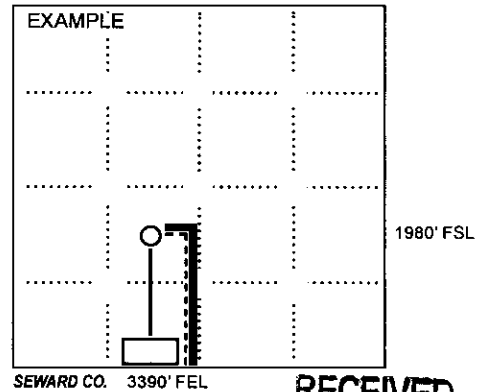
NOTE: In all cases locate the spot of the proposed drilling location.

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**LEGEND**

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location

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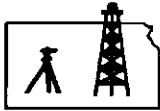
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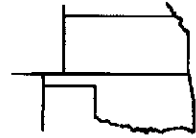
**In plotting the proposed location of the well, you must show:**

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (C0-7 for oil wells; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

15-119-21292-0000



**Pro-Stake LLC**  
Oil Field & Construction Site Staking  
P.O. Box 2324  
Garden City, Kansas 67846  
Office/Fax: (620) 276-6159  
Cell: (620) 272-1499



**q050311-c**  
PLAT NO.

**9331**  
INVOICE NO.

**PetroSantander USA**

OPERATOR

**SMU #33-16A**

LEASE NAME

**Meade County, KS**

COUNTY

**33**

Sec.

**32s**

Twp.

**30w**

Rng.

**145' FSL - 335' FEL**

LOCATION SPOT

SCALE: N/A

DATE STAKED: April 29<sup>th</sup>, 2011

MEASURED BY: Ben R.

DRAWN BY: Luke R.

AUTHORIZED BY: Pete K.



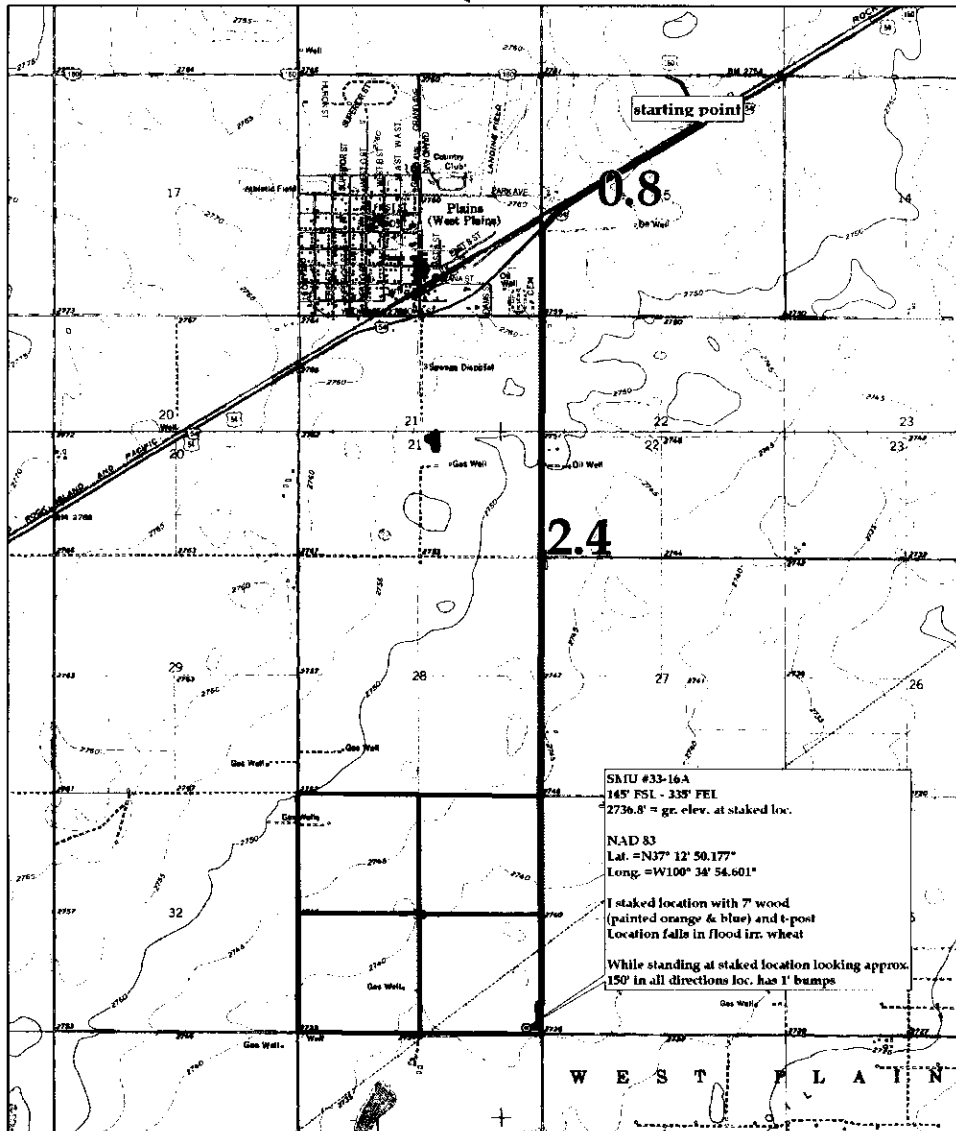
GR. ELEVATION: 2736.8'

**Directions:** Approx. 1 mile NE of Plains Ks, at the intersection of Hwy 160 West & Hwy 54 – Now go 0.8 mile SW on Hwy 54 – Now go 2.4 mile South on 5 Rd to the NE corner of section 33-32s-30w – Now go 0.9 mile South on 5 Rd to ag entry – Now go approx. 100' West on trail – Now go 0.1 mile South on trail to ingress stake West into – Now go approx. 235' West through flood irr. wheat into staked location.

**Final ingress must be verified with land owner or Operator.**

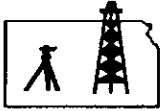
*This drawing does not constitute a monumented survey or a land survey plat.*

*This drawing is for construction purposes only.*

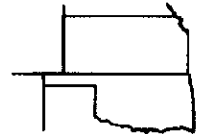


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PLAT NO.

**9331**  
INVOICE NO.

**PetroSantander USA**

**SMU #33-16A**

OPERATOR  
**Meade County, KS**  
COUNTY

LEASE NAME  
**145' FSL - 335' FEL**  
LOCATION SPOT

**33 32s 30w**  
Sec. Twp. Rng.

SCALE: 1" = 1000'  
DATE STAKED: April 29<sup>th</sup>, 2011  
MEASURED BY: Ben R.  
DRAWN BY: Luke R.  
AUTHORIZED BY: Pete K.

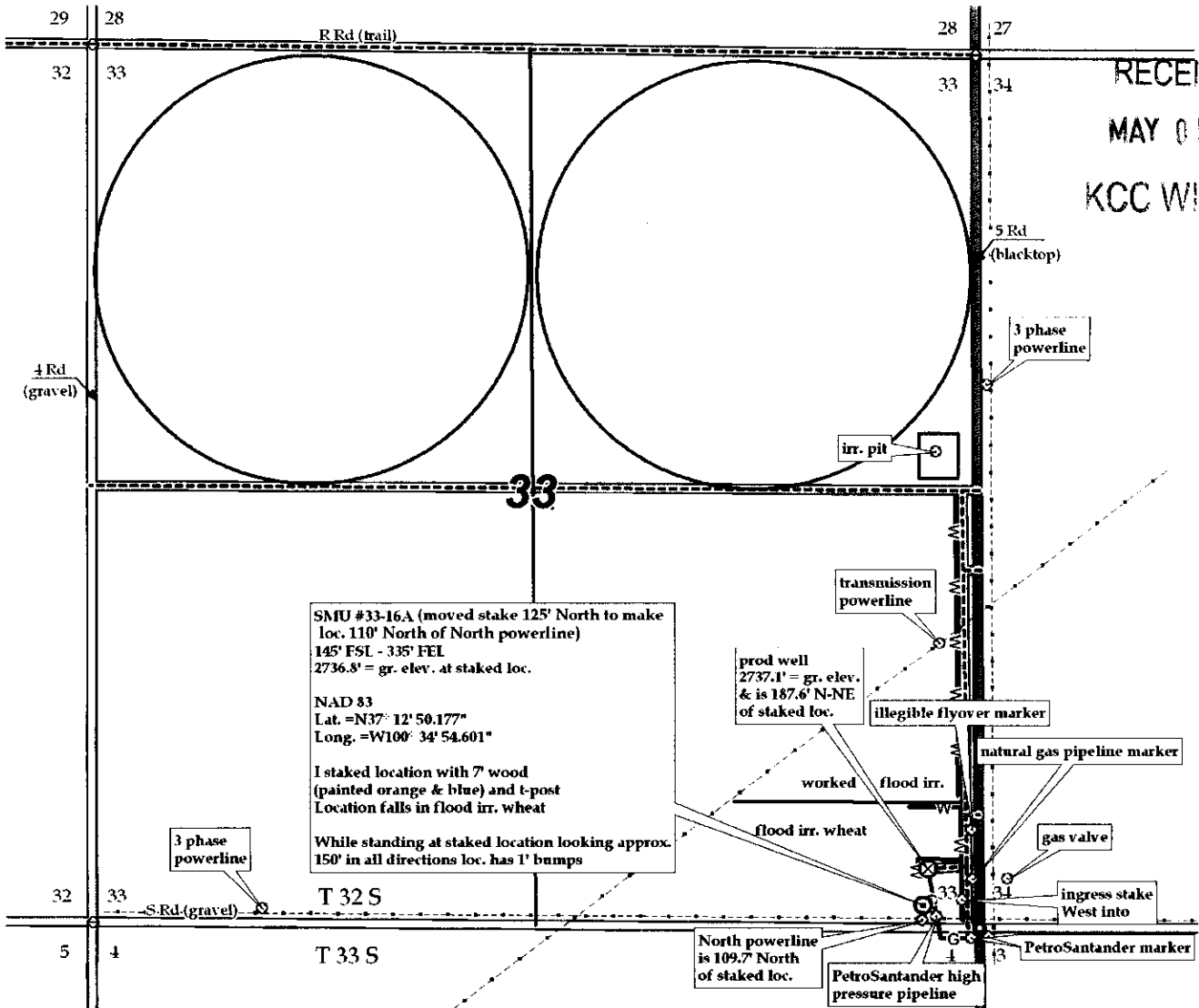


GR. ELEVATION: 2736.8'

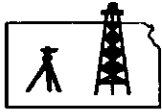
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**This drawing is for construction purposes only.**

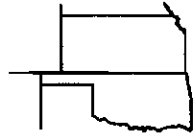
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q050311-c  
PLAT NO.

9331  
INVOICE NO.

**PetroSantander USA**

OPERATOR

**SMU #33-16A**

LEASE NAME

**Meade County, KS**

COUNTY

**33**  
Sec.

**32s**  
Twp.

**30w**  
Rng.

**145' FSL - 335' FEL**

LOCATION SPOT

SCALE: 1" = 1000'

DATE STAKED: April 29<sup>th</sup>, 2011

MEASURED BY: Ben R.

DRAWN BY: Luke R.

AUTHORIZED BY: Pete K.



GR. ELEVATION: 2736.8'

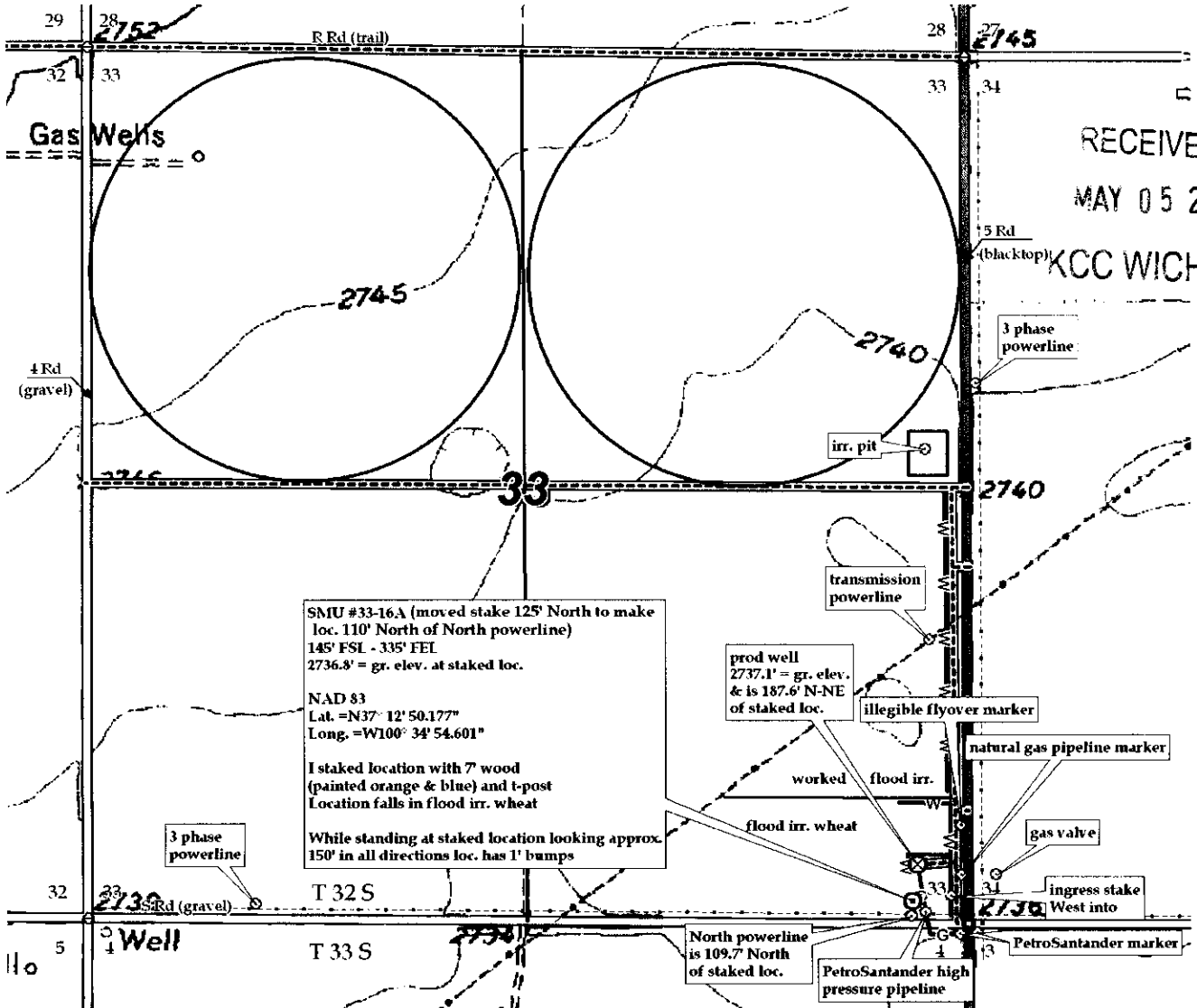
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**Final ingress must be verified with land owner or Operator.**

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This drawing is for construction purposes only.

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### CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed:  C-1 (Intent)  CB-1 (Cathodic Protection Borehole Intent)  T-1 (Transfer)  CP-1 (Plugging Application)

OPERATOR: License # 32198  
Name: Petrosantander (USA) INC  
Address 1: 6363 Woodway Dr. Suite 350  
Address 2: \_\_\_\_\_  
City: Houston State: TX Zip: 77057 + \_\_\_\_\_  
Contact Person: Liliana Hernandez  
Phone: ( 713 ) 784-8700 Fax: ( \_\_\_\_\_ ) \_\_\_\_\_  
Email Address: lhernandez@petrosantander.com

Well Location: SE  
NE Sec. 33 Twp. 32 S. R. 30  East  West  
County: Meade  
Lease Name: SMU Well #: 3316A

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

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**Surface Owner Information:**

Name: Gloria Fruechting Family Trust Duaglo, LLC c/o Vail Fruechting  
Address 1: 102 N Terrace Dr  
Address 2: \_\_\_\_\_  
City: Wichita State: KS Zip: 67208 + \_\_\_\_\_

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

**Select one of the following:**

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 04-13-2011 Signature of Operator or Agent: Liliana Hernandez Title: Senior Engineer

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**KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION  
APPLICATION FOR SURFACE PIT**

Form CDP-1  
May 2010  
Form must be Typed

*Submit in Duplicate*

Operator Name: <b>Petrosantander (USA) INC</b>		License Number: <b>32198</b>	
Operator Address: <b>6363 Woodway Dr. Suite 350</b>		<b>Houston TX 77057</b>	
Contact Person: <b>Liliana Hernandez</b>		Phone Number: <b>713-784-8700</b>	
Lease Name & Well No.: <b>SMU 3316A</b>		Pit Location (QQQQ): <u>SE SE NE SE</u>	
Type of Pit: <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <small>(If WP Supply API No. or Year Drilled)</small>		Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: _____ (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <small>(For Emergency Pits and Settling Pits only)</small>	
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
How is the pit lined if a plastic liner is not used? <b>Natural clay and drilling</b>			
Pit dimensions (all but working pits): <u>125</u> Length (feet) <u>125</u> Width (feet)		<input checked="" type="checkbox"/> N/A: Steel Pits	
Depth from ground level to deepest point: <u>4</u> (feet)		<input type="checkbox"/> No Pit	
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.	
		RECEIVED MAY 05 2011 KCC WICHITA	
Distance to nearest water well within one-mile of pit: <u>3338</u> feet    Depth of water well <u>455</u> feet		Depth to shallowest fresh water <u>190</u> feet. Source of information: <input type="checkbox"/> measured <input type="checkbox"/> well owner <input type="checkbox"/> electric log <input checked="" type="checkbox"/> KDWR	
<b>Emergency, Settling and Burn Pits ONLY:</b> 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 pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>Drilling, Workover and Haul-Off Pits ONLY:</b> Type of material utilized in drilling/workover: <u>Drilling Mud</u> Number of working pits to be utilized: <u>3</u> Abandonment procedure: <u>Backfill and level when sufficiently dry</u> 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. _____ Date		_____ Signature of Applicant or Agent	
		RECEIVED APR 15 2011 KCC WICHITA	
<b>KCC OFFICE USE ONLY</b>			
Date Received: <u>5-5-11</u> Permit Number: _____    Permit Date: <u>5-5-11</u> Lease Inspection: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			

15-119-21292-0000

Photocopied



15 719-21292-0000

STATE OF KANSAS } ss 8-00  
COUNTY OF MEADE }

THIS INSTRUMENT WAS FILED FOR RECORD

ON THE 21 DAY OF Sept 20 00

AT 9:35 O'CLOCK A M. AND DULY

RECORDED IN BOOK 42 ON PAGE 440-441

Kay Melford  
REGISTER OF DEEDS

**CERTIFICATE  
OF  
KANSAS CORPORATION COMMISSION  
AS TO  
ESTABLISHMENT OF A UNIT AREA  
UNDER UNITIZATION ORDER**

69

This is to certify and to show of record as authorized and required by K.S.A. 55-1301 *et seq.* authorizing unit operation of oil and gas pools, that a unit area has been established, and for such purpose states and certifies as to the following facts:

- 1. That this Commission, in Docket No. 195,477-C (C-28,727),

**IN THE MATTER OF THE APPLICATION OF  
PETROSANTANDER (USA) INC. FOR AN  
ORDER PROVIDING FOR THE UNITIZATION  
AND UNIT OPERATION OF THE STEVENS  
(MORROW) UNIT, MEADE COUNTY, KANSAS.**

after due and proper notice, held a hearing at the Commission's Hearing Room, Topeka, Kansas, on April 11, 2000, at 1:30 p.m., and pursuant to such hearing did enter an Order dated July 12, 2000, approving the plan of unitization after it was determined that on that date the plan had been approved by more than the required percentage of owners.

- 2. That the Docket Number of said Order is 195,477-C (C-28,727).
- 3. That the name of the unit is the **STEVENS (MORROW) UNIT**.
- 4. That the producing formation unitized is the Morrow formation.
- 5. That the Order of the Commission creating the unitized area, was dated July 12, 2000, and the unit as provided in the Order is operative and **effective as of July 12, 2000**, that under the plan of unitization, PetroSantander (USA), Inc. is the operator of the unit and will cause actual unit operations to commence on said effective date.
- 6. That the legal description of the unit is:

**Township 32 South, Range 30 West of the 6th P.M.**

- Section 33: SE/4
- Section 34: S/2
- Section 35: SW/4, E/2
- Section 36: NW/4, N/2 SW/4

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SEP 13 2011

Please record and return to:  
Jeff Kennedy, Esq.  
Martin, Pringle, Oliver,  
Wallace & Swartz, LLP  
100 N. Broadway, Suite 500  
Wichita, Kansas 67202



Township 33 South, Range 30 West of the 6th P.M.

Section 2: All

Section 3: All

Section 4: E/2 NE/4 (Lot 1 and the SE/4 NE/4)

All in Meade County, Kansas

7. That as a result of said Order of this Commission of July 12, 2000, creating the unitized area and providing for unit operation, the provisions of K.S.A. 55-1306 are in effect and apply to all operations in the unit area.

IN WITNESS WHEREOF, this Certificate has been executed by the Kansas Corporation Commission on this 13 day of September 2000.

KANSAS CORPORATION COMMISSION

John Wine  
JOHN WINE, JR., CHAIRMAN

Cynthia L. Claus  
CYNTHIA L. CLAUD, COMMISSIONER

Brian J. Moline  
BRIAN J. MOLINE, COMMISSIONER

ATTEST:

Jeffrey S. Wagaman  
JEFFREY S. WAGAMAN  
EXECUTIVE DIRECTOR

SUBSCRIBED AND SWORN to me this 13 day of September 2000.

Phyllis C. Sisson  
NOTARY PUBLIC  
State of Kansas  
My Appt. Expires 3/02/03

Phyllis C. Sisson  
Notary Public

My Appointment Expires: March 2, 2003

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