APPLICATION FOR PERMIT TO DRILL A GEOThERMAL WELL
(To be accompanied by a $100.00 permit fee for new wells only and a surety bond conditioned as provided by law.)

Los Angeles, California  March 23, 1979

In compliance with rules and regulations pursuant to ORS 522 (Chapter 776 OL 1971) application is hereby made for permit to drill

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<table>
<thead>
<tr>
<th>Well No.</th>
<th>W. B. &amp; M.</th>
<th>Field, Klamath County</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>11E</td>
<td></td>
</tr>
</tbody>
</table>

This well is 660 feet (N) (S) of the North line and 660 feet (E) (W) of the West line of Section 2.

Field: Klamath County.

This well is 660 feet (N) (S) of the North line and 660 feet (E) (W) of the West line of Section 2.

Elevation of ground above sea level is 4820 feet. All depth measurements are taken from top of G.L. which is -0- above ground.

The lessee is Union Oil Company of California

Address 461 South Boyleston St., Los Angeles, CA 90017

The lessor is Brooks Scanlon, Inc.

Address P.O. Box 1111, Bend, Oregon 97701

We propose to use the following strings of casing and to land or cement them as herein indicated:

<table>
<thead>
<tr>
<th>Size of hole</th>
<th>Size of casing</th>
<th>Weight in pounds per foot</th>
<th>Grade and type</th>
<th>New or second hand</th>
<th>Depth</th>
<th>Landed or cemented</th>
</tr>
</thead>
<tbody>
<tr>
<td>12&quot;</td>
<td>10-3/4&quot;</td>
<td>28.04</td>
<td>ASTM-A-120</td>
<td>Used</td>
<td>100'</td>
<td>CMT w/ 13 sx</td>
</tr>
<tr>
<td>10&quot;</td>
<td>8-5/8&quot;</td>
<td>22.36</td>
<td>ASTM-A-120</td>
<td>Used</td>
<td></td>
<td>as needed</td>
</tr>
<tr>
<td>6&quot;</td>
<td>11/4&quot; or 11/2&quot;</td>
<td>2.3 or 2.7</td>
<td>L-50, T&amp;C</td>
<td>New</td>
<td>1000'</td>
<td>Backfilled w/ cuttings</td>
</tr>
</tbody>
</table>

Method of drilling: rotary X, cable ____, other ____.

Proposed objectives:

Temperature observation (not intended for production)

Submit in triplicate

By Director

Approved May 1, 1979

Stipulations approved by the Governing Board of the Department will be made a condition of this permit.

DEPT. OF GEOLOGY & MINERAL INDUS.

By ____________________________ Director

Union Oil Company of California

By Steven J. Maione, Geologist

Stipulations approved by the Governing Board of the Department will be made a condition of this permit.

Send communications regarding well to:

Name Mr. Steven J. Maione

Address P.O. Box 7600

Los Angeles, California 90051

(Submit in triplicate)