

STATE OF OREGON
 DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES
 910 State Office Building Portland, OR 97201

Permit No.: G-178

API #: 36-017-90039

APPLICATION FOR PERMIT TO DRILL A GEOTHERMAL WELL

(To be accompanied by a \$250 permit fee for new wells and a surety bond conditioned as provided by law.)

DATE January 22, 1995

In compliance with rules and regulations pursuant to ORS 522 (Chapter 552 OL 1975) application is hereby made for permit to drill a geothermal well: CE Exploration OR 45505 23-22

SW $\frac{1}{4}$ NW $\frac{1}{4}$ (Company or Operator) (Lease) (Well No.)

in $\frac{1}{4}$ of Sec. 22, T 21S, R 12E W.B.&M., Newberry KGRA Field, Deschutes

County. Survey Coordinates: From NW corner, 1500'S, 400'E Directional

Elevation of ground above sea level is 6440' feet. All depth measurements are taken from top of KB (Kelly Bearing), which is 30' above ground.

Lessee: CE Exploration

Address: 34 NW First St., Ste. 302, Portland Oregon 97209

Lessor: _____

Address: _____

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

Size of hole	Size of casing	Weight in pounds per foot	Grade/Type	New or Secondhand	Depth	Landed or cemented No. sacks cement
36"	30"	118#	Grade B	New	50' GL	Cemented to Surf.
26"	20"	94#	K55/Buttress	New	350' GL	Cemented to surf.
17-1/2"	13-3/8"	68#/72#	K55/L80 buttress	New	3000' GL	Cemented to surf.
12-1/4"	9-5/8"	36#	K55 slotted liner	New	9000' GL	

Proposed Depth 9000'± Objectives Drill directionally east to TD of 9000'.

Approved March 6, 19 95
 except as follows:

Follow October 1993 stipulations and letter of March 6, 1995.

DEPARTMENT OF GEOLOGY & MINERAL INDUSTRIES
 By [Signature]
 Petroleum Engineer

Company/Operator CE Exploration

Signature [Signature]

Position Project Manager

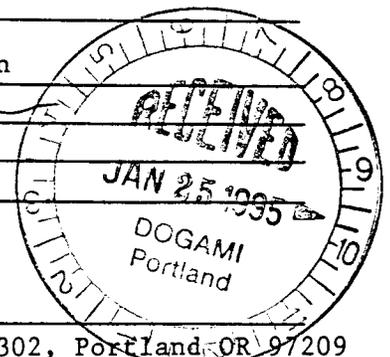
Date 1/22/95

SEND WELL COMMUNICATION TO:

Name Dave McClain

Address 34 NW First St., Ste. 302, Portland OR 97209

Phone (503) 226-3636 (Day) (503) 591-1026 (Night)



NOTE: This permit expires 180 days from date of issue. Land use approval must be obtained from the county or city in which the drilling takes place. Issuance of this permit is not a finding of compliance with the Statewide Planning Goals or the acknowledged comprehensive plan.