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

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 09/19/95

In compliance with rules and regulations pursuant to ORS 522 (Chapter 522 OL 1975) application is hereby made

for permit to drill a geothermal well: C.E. Exploration OR45505 88-21 (28-22)

(Company or Operator) (Well No.)

in SE 1/4 of Sec. 21, T 21S, R 12E W.B. & M., Newberry Field, Deschutes County. Survey Coordinates: From SE corner, 323' N, 204' W.

Elevation of ground above sea level is _______ feet. All depth measurements are taken from top of

Kelly Bearing ______, which is _______ 30' _______ above ground.

Lessee: C.E. Exploration
Address: 34 NW First St., Ste. 302, Portland OR 97209
Lessor:
Address:

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/Type</th>
<th>New or Secondhand</th>
<th>Depth</th>
<th>Landed or cemented No. sacks cement</th>
</tr>
</thead>
<tbody>
<tr>
<td>36&quot;</td>
<td>30&quot;</td>
<td>.328 wall</td>
<td>X65</td>
<td>New</td>
<td>85'GL</td>
<td>To surface</td>
</tr>
<tr>
<td>26&quot;</td>
<td>20&quot;</td>
<td>94#</td>
<td>K55 Buttress</td>
<td>New</td>
<td>800'GL</td>
<td>To surface</td>
</tr>
<tr>
<td>17-1/2&quot;</td>
<td>13-3/8&quot;</td>
<td>68/72#</td>
<td>K55/L80 Buttress</td>
<td>New</td>
<td>4500'GL</td>
<td>To surface</td>
</tr>
<tr>
<td>12-1/4&quot;</td>
<td>9-5/8&quot;</td>
<td>36#</td>
<td>Slotted liner</td>
<td>New</td>
<td>TD</td>
<td></td>
</tr>
</tbody>
</table>

Proposed Depth 10,000' Objectives Drill directionally east to TD of 10,000'

Approved Nov. 9, 1995
except as follows:

Company/Operator C.E. Exploration
Signature W. McClain
Position Project Manager
Date 11/21/95

SEND WELL COMMUNICATION TO:
Name Dave McClain
Address 34 NW First St., Ste. 302, Portland OR 97209

Phone ____ ____ (Day) ____ ____ (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.