APPLYING FOR PERMIT TO DRILL AN OIL AND GAS WELL OR STRATIGRAPHIC HOLE

(Tobe accompanied by a $100 permit fee for new wells only and a surety bond conditioned as provided by law.)

St. Helens, Oregon November 19, 1982

In compliance with rules and regulations pursuant to ORS 520 (Chapter 296, SL 1977) this application is hereby made

For permit to drill a (new well or stratigraphic hole) to be known as Reichhold Energy Corporation Columbia

(revision to) County

Well No. 13-34 in SW/4 of Sec. 34, T. 7N, R. 5W, T. B.A., Mist Field, Columbia County.

Survey Coordinates: Approximately 2000' N and 500' E of SW corner.

Elevation of ground above sea level is 1100 feet. All depth measurements are taken from top of Kelly Bushing which is 11.4 feet above ground.

Lessee: Reichhold Energy Corporation

Address: P.O. Box 810, St. Helens, Oregon 97051

Address: Columbia County

Address: Columbia County Courthouse, St. Helens, Oregon

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 No. sets cement</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 1/4</td>
<td>8 5/8</td>
<td>24</td>
<td>K-55</td>
<td>new</td>
<td>450</td>
<td>165</td>
</tr>
<tr>
<td>7 7/8</td>
<td>5 1/2</td>
<td>15.5</td>
<td>K-55</td>
<td>new</td>
<td>2800</td>
<td>110</td>
</tr>
</tbody>
</table>

Proposed Depth: 2800' Objectives: Clark and Wilson

Approved 39 except as follows:

Reichhold Energy Corporation

By

Position: Drilling Superintendent

Name: Reichhold Energy Corporation

Address: P.O. Box 810

St. Helens, Oregon 97051

DEPT. OF GEOLOGY & MINERAL INDUSTRY

Approved by Director

NOTE: This permit is valid only if land use approval is obtained from the county or city in which the drilling takes place, and provided these authorities make a determination of compliance with state and local rules.