APPLICATION FOR PERMIT TO DRILL AN OIL AND GAS WELL OR STRATIGRAPHIC HOLE
(To be accompanied by a $100 permit fee for new wells only and a surety bond conditioned as provided by law.)

St. Helens, Oregon Oct 21 1981

In compliance with rules and regulations pursuant to ORS 520 (Chapter 296 GE 1977) application is hereby made for permit to drill a (new well) to be known as REICHHOLD ENERGY CORP. COLUMBIA COUNTY (lease)

Well No. 32-33 in NE^1 of Sec. 33, T. 7N, R. 5W W.B. & M., Mist Field, Columbia County.

Survey Coordinates: 2000' S & 2300' W of NE corner

Elevation of ground above sea level is 1040' feet. All depth measurements are taken from top of Kelly Bushing, which is 11.4' above ground.

Lessee: REICHHOLD ENERGY CORPORATION
Address: P.O. Box 810, St. Helens, Oregon 97051

Lessor: COLUMBIA COUNTY
Address: Columbia County Courthouse, St. Helens, Oregon 97051

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>9 5/8&quot;</td>
<td>7&quot;</td>
<td>20</td>
<td>K</td>
<td>NEW</td>
<td>450'</td>
<td>175 sks</td>
</tr>
<tr>
<td>6 3/4&quot;</td>
<td>4 5/8&quot;</td>
<td>10.5</td>
<td>K</td>
<td>NEW</td>
<td>2500'</td>
<td>200 sks</td>
</tr>
</tbody>
</table>

Proposed Depth: 2500' Objectives: Clark & Wilson Sand

Approved November 16, 1981 except as follows: The October 1980 stipulations approved by the Governing Board of the Department will be made a condition of this permit.

DEPT. OF GEOLOGY & MINERAL INDUSTRY
By

REICHHOLD ENERGY CORP. company or operator
By

Position Operations Manager

Send communications regarding well to:
Name W.F. Covert, Reichhold Energy
Address P.O. Box 810
St. Helens, Oregon 97051

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 statewide goals.