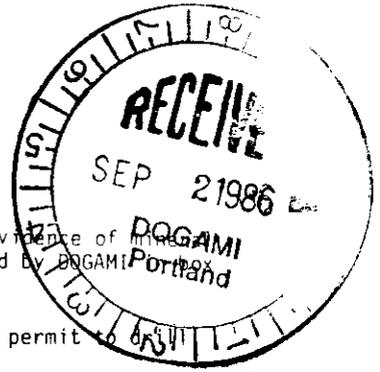


API: 36-009-00213
O&G: 376

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



APPLICATION FOR PERMIT TO DRILL AN OIL OR GAS WELL

(To be accompanied by a \$100 permit fee, a surety bond conditioned as provided by law, and evidence of rights ownership or lease.) This application becomes a permit to drill when signed and dated by DOGAMI below.

In compliance with rules and regulations pursuant to ORS 520, application is hereby made for permit (a gas well) to be known as Atlantic Richfield Co. Columbia County 42-8-54
(an oil well) (Company or operator) (Lease) (Well No.)

in NE 1/4 of Sec. 8, T. 5N, R. 4W W.B.&M. Directional? No X Yes
Survey Coordinates: 1800' S & 1300' W of NE Corner, Sec 8, T5N, R4W

Wildcat: Yes (or) Field Name: Mist County: Columbia
Elevation of ground above sea level is 920 feet. All depth measurements are taken from kelly bushing, which is +12' above ground.

Lessor (Mineral Owner): Columbia County Land Development Services
Address: Courthouse, St. Helens, OR 97051
Surface Owner: 7 Cavenham Forest Industries
Address: 1500 SW First Avenue, Portland, OR 97201
Lessee: 243 Atlantic Richfield Company
Address: 4201 Stine Road, Bakersfield, CA 93309

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	Depth	Amount of cement
12-1/4"	9-5/8"	36#	K-55	450'	225 sx
8-1/2"	5-1/2"	17#	K-55	2750'	580 sx

Geologic Objectives Clark & Wilson at 1950'
Proposed Depth 2750' ARCO Oil and Gas Company 374
Company/Operator Div. of Atlantic Richfield Co.

DOGAMI Approved Sept. 23, 1986
The July 1986 stipulations approved by the State Geologist are conditions of this permit. Notify DOGAMI to witness BOP test.
By Dennis J. Olmstead

Signature Randy Thom for KUP
Position District Drilling Superintendent
Date 8/26/86
SEND WELL COMMUNICATION TO:
Name Kwang U. Park
Address 4201 Stine Road
Bakersfield, CA 93309
Phone 805-833-4060 (Day) 805-834-4826 (Night)

NOTE: (1) Issuance of this permit is not a finding of compliance with the Statewide Planning Goals or the acknowledged comprehensive plan. (2) Permit expires one year from date of issue. (3) Land use approval must be obtained from the county or city in which the drilling takes place. (4) Unless specifically exempted, permittee is obligated to comply with all current applicable statutes and rules including those adopted after permit issuance.

9.2.86