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 26 1981

In compliance with rules and regulations pursuant to ORS 520 (Chapter 296 OL 1977) application is hereby made for permit to drill [stratigraphic hole] to be known as Reichhold Energy Corp. Columbia County

Well No. 43-5 in SE1 of Sec. 5, T. 6N, R. 5W W.B.M., Mist Field, Columbia County.

Survey Coordinates: 1340'N & 650'W of SE corner sec. 5

Elevation of ground above sea level is 650 feet. All depth measurements are taken from top of Kelly Bushing, which is 11.4' above ground.

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

Lessor: COLUMBIA COUNTY
Address: Columbia County Courthouse, St. Helens, Oregon 97051
Surface: Stimson Lumber Co.

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. and cents cement</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 7/8&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 1/4&quot;</td>
<td>4&quot;</td>
<td>10.5</td>
<td>K</td>
<td>New</td>
<td>4000'</td>
<td>200 sks</td>
</tr>
</tbody>
</table>

Proposed Depth: 4000'. Objectives: Clark & Wilson Sand and Clatskanie Sand

REICH HOLD ENERGY CORPORATION
company or operator

By W.F. Covert
Position Operations Manager

Send communications regarding well to:
Name W.F. Covert
Address Reichhold Energy 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.