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.)

Portland, Oregon March 8, 1984

In compliance with rules and regulations pursuant to ORS 520 (Chapter 296 SL 1977) application is hereby made
for permit to drill a [new well] (stratigraphic hole) to be known as [Reichhold Energy Corp. Columbia Co.]
(company or operator) [Columbia Co.]
(lease)

Well No. 43-27 in SE1/4 of Sec. 27, T. 6N, R. 5W, W.B.M.,

Mist Field, Columbia County.

Survey Coordinates: 2300' N and 600' W of SE corner Section 27, T6N, R5W W.B.M

[2152' N 741' W - 2]

Elevation of ground above sea level is 900 feet. All depth measurements are taken from top
of Kelly Bushing, which is 11.4 feet above ground.

Lessee: ARCO Exploration Company

Address: P.O. Box 5540, Denver, CO 80217

Lessee: Columbia County

Address: County Courthouse, St. Helens, Oregon 97051

We propose to use the following stringing 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. of casing</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 3/4&quot;</td>
<td>5 5/8&quot;</td>
<td>24#</td>
<td>K-55</td>
<td>New</td>
<td>350</td>
<td>190</td>
</tr>
<tr>
<td>7 7/8&quot;</td>
<td>5 1/4&quot;</td>
<td>15.5</td>
<td>K-55</td>
<td>New</td>
<td>2600</td>
<td>340</td>
</tr>
</tbody>
</table>

Proposed Depth: 2600'

Objectives: Clark & Wilson Sand

Reichhold Energy Corporation

Position: Field Operations Supervisor

Send communications regarding well to:

Name: Reichhold Energy Corporation

Address: 1410 SW Marlow Avenue

Portland, Oregon 97225

Approved July 24, 1984

except as follows:

The January 1984 stipulations approved by the State Geologist are conditions of this permit.

DEPT. OF GEOLOGY & MINERAL INDUSTRY

by [Signature]

PETROLEUM ENGINEER

Issuance of this permit is not a finding of compliance with the Statewide Planning Goals or the acknowledged comprehensive plan. Permit expires one year from date of issue.

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.