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 mineral rights ownership or lease.) This application becomes a permit to drill when signed and dated by DOGAM! in box below.

In compliance with rules and regulations pursuant to ORS 520, application is hereby made for permit to drill
(a gas well) to be known as Reichhold Energy Co. Crown Zellerbach 23-15
(Company or operator) (Lease) (Well No.)
in SW 1/4 of Sec. 15, T. 5N, R. 4W W.B.&M. Directional? No X Yes
Survey Coordinates: 1700'N & 1800'E of SW corner, Sec. 15
Wildcat: X (or) Field Name: Mist County: Columbia
Elevation of ground above sea level is 800 feet. All depth measurements are taken from Kelly Bushing , which is 11.4 above ground.

Lessor (Mineral Owner): CROWN ZELLERBACH CORPORATION
Address: 62424 Nehalem Highway North, Vernonia, OR 97064
Surface Owner: Same as mineral owner
Address:
Lessee: REICHHOLD ENERGY CORPORATION
Address: 12655 SW Center, Suite 240, Beaverton, OR 97005

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/Type</th>
<th>Depth</th>
<th>Amount of cement</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 1/2</td>
<td>8 5/8</td>
<td>24#</td>
<td>J-55</td>
<td>450'</td>
<td>250</td>
</tr>
<tr>
<td>7 7/8</td>
<td>5 1/2</td>
<td>15.5</td>
<td>J-55</td>
<td>3500'</td>
<td>300</td>
</tr>
</tbody>
</table>

Geologic Objectives Clark & Wilson
Proposed Depth 3500'

DOGAM! Approved August 8, 1985

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

By

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.

RECEIVED - PTLD

JUL 19 1985
DEPT. OF GEOLOGY & MINERAL INDUS