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 Sept. 21 1981

In compliance with rules and regulations pursuant to ORS 520 (Chapter 296 ORL 1977) application is hereby made
for permit to drill a well to be known as Reichhold Energy Corporation CADENZA (company or operator) (lease)
Well No. 34-1 in SE/4 of Sec. 1, T. 6N, R. 5W, W.B.M., Columbia County.
Survey Coordinates: 400' N & 1000' W of SE/Corner

Elevation of ground above sea level is 1200 feet. All depth measurements are taken from top of KB, which is 11.6 feet above ground.

Lessee: Reichhold Energy Corporation
Address: P.O. Box 810, St. Helens, Oregon 97051

Lessor: Cadenza, Inc.
Address: Star Route 1, Box 16, Clatskanie, Oregon 97016

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. sacks cement</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 7/8</td>
<td>7</td>
<td>20</td>
<td>K</td>
<td>new</td>
<td>500'</td>
<td>175 sacks cement</td>
</tr>
<tr>
<td>6 1/4</td>
<td>4 1/2</td>
<td>10.5</td>
<td>K</td>
<td>new</td>
<td>3000'</td>
<td>200 &quot;</td>
</tr>
</tbody>
</table>

Proposed Depth: 3000'

Objectives: Upper Clark and Wilson

Reichhold Energy Corporation
By W.F. Covert
Position Manager - Oregon Operations
Send communications regarding well to:
Name: W.F. Covert
Address: REICHHOLD ENERGY CORPORATION
P.O. Box 810, St. Helens, OR 97051

Approved October 19, 1981

DEPARTMENT OF GEOLOGY & MINERAL INDUSTRY
By W. J. Huggin
Petroleum Geologist

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.