APPLICATION FOR PERMIT TO DRILL AN OIL AND GAS WELL OF STRATIGRAPHIC MORSE
(To be accompanied by a $100 permit fee for new wells only and a surety bond conditioned as provided by law.)

Portland, Oregon 12-30 1980

In compliance with rules and regulations pursuant to ORS 570 (Chapter 796 or 1977) application is hereby made
for permit to drill a (new well) (wildcat) to be known as Diamond Shamrock Corp. Crown Zellerbach
Field, Clatsop County.

Survey Coordinates: 1,300' FNL, 2,350' FEL

Elevation of ground above sea level is 511.6 feet. All depth measurements are taken from top of Kelly Bushing, which is 9' above ground.

Lessor: Diamond Shamrock Corporation
Address: 410 17th. St., Suite 600, Denver, Colorado 80202

Lessee: Crown Zellerbach
Address: 1 Bush St., San Francisco, Cal. 94119

We propose to use the following strings of casing and to land or cement them as herein indicated:

<table>
<thead>
<tr>
<th>Size of</th>
<th>Size of</th>
<th>Weight in pounds</th>
<th>Grade and type</th>
<th>New or second hand</th>
<th>Depth</th>
<th>Landed or cemented</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 3/4&quot;</td>
<td>9 5/8&quot;</td>
<td>36#</td>
<td>K-55</td>
<td>New</td>
<td>1,000'</td>
<td>Circulate to est. 400 sxs.</td>
</tr>
<tr>
<td>8 3/4&quot;</td>
<td>5 1/2&quot;</td>
<td>15.5#</td>
<td>K-55</td>
<td>New</td>
<td>6,000'</td>
<td>Estimate 360 sxs.</td>
</tr>
</tbody>
</table>

Proposed Depth: 6,000' / 2,350' FEL, 4,081' FEL

Objectives: Cowlitz Sands

Diamond Shamrock Corporation

By: James M. Rachell
Position: Safety & Environmental Engineer

Send communications regarding well to:

Name: John Schmidt / Diamond Shamrock Corp.
Address: 410 17th. St. Suite 600
Denver, Colorado 80202

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 state and local codes.