REICHOLD ENERGY CORPORATION

Hammerberg

3939 NE 62A Avenue
Columbia County, Washington

This well is located in the NORTH line and 400 feet W/N of the EAST line of Sec. 14, T.6 N., R. 9 W., W. of the 6th Meridian. The elevation of ground above sea level is 640 feet. All depth measurements are taken from top of KB, which is 11.6 feet above ground.

The operator is Reichhold Energy Corporation

Address: P.O. Box 810, St. Helens, Oregon 97050

The operator is Allen E. Hammerberg

Address: Mist Route, Clatskanie, Oregon 97018

We estimate that the first productive oil or gas will occur at a depth of about 2,000 feet.

We propose to use the following design of casing and to drain or complete the well at the indicated depth:

<table>
<thead>
<tr>
<th>Depth</th>
<th>Size of Casing</th>
<th>Weight in Pounds</th>
<th>Grade and Type</th>
<th>Liner Method Used</th>
<th>Depth</th>
<th>Rod</th>
<th>Length of Liner</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-7/8&quot;</td>
<td>7&quot;</td>
<td>20</td>
<td>K-Sm.</td>
<td>N</td>
<td>400</td>
<td>105</td>
<td></td>
</tr>
<tr>
<td>6-1/4&quot;</td>
<td>6-1/2&quot;</td>
<td>10.5</td>
<td>K-Sm.</td>
<td>N</td>
<td>2,700</td>
<td>105</td>
<td></td>
</tr>
</tbody>
</table>

We propose to drill with 2200° mud.

Should the above plan become advisable we will notify you before commencing or leaving section.

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R. L. Beardsley

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