APPLICATION FOR PERMIT TO DRILL AN OIL AND GAS WELL OR STRATIGRAPHIC HOLE

To be accompanied by a $120 permit fee for new wells only and a surety bond conditioned as provided by law.

Portland, Oregon Oct. 12, 1980

In compliance with rules and regulations pursuant to ORS 520 (Chapter 266, S.B. 177) application is hereby made for permit to drill a new well;

Well No. 17-34 in SW1/4 SE1/4 of Sec. 17, T. 19S, R. 3W, W.S.M., Linn County, which is to be known as Petroleum Co. Henschel

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

License: Mobil Oil Corporation
Address: Box 5444, Denver, Colorado 80217
Licensee: Henschel
Address: Albany, Oregon

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

| Size of hole | Size of casing | Weight in pounds per foot | Grade and type | New or second | Depth | Landed or cemented
<table>
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</thead>
<tbody>
<tr>
<td>9 7/8&quot;</td>
<td>7&quot;</td>
<td>23#</td>
<td>K-55</td>
<td>New</td>
<td>500'</td>
<td>Cmt to surf.</td>
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<tr>
<td>6 1/4&quot;</td>
<td>4 1/2&quot;</td>
<td>9.5#</td>
<td>K-55</td>
<td>New</td>
<td>5000'</td>
<td>270 sx</td>
</tr>
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Proposed Depth: 5000' Objectives: Lorraine

American Quasar Petroleum Company

Approved November 14, 1980

except as follows: The October 1, 1980 stipulations approved by the Governing Board of the Department will be made a condition of this permit.

DEP'T OF GEOLOGY & MINERAL INDUSTRY

Director

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-wide goals.