

APPLICATION TO DRILL OIL OR GAS WELL
STATE OF OREGON • DEPT OF GEOL. & MINERAL INDUSTRIES • 229 BROADALBIN ST SW • ALBANY OR 97321

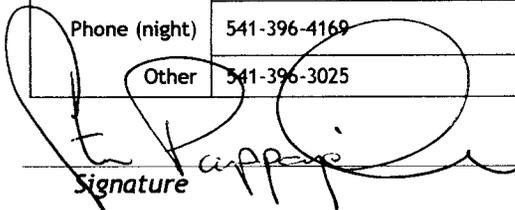
(In compliance with rules and regulations pursuant to ORS 520)

(1) Permittee Information

Name	Methane Energy Corporation
Mailing Address	21514 SE 254 th Place
City/State/Zip	Maple Valley, WA 98038
Telephone	425-432-1657
Fax	208-330-9870
Email	sp@methaneenergy.com
Prepared by	Steve Pappajohn
On Site Contact	Loran Wiese
Phone (day)	541-290-0837
Phone (night)	541-396-4169
Other	541-396-3025

(2) Well Information

County	Coos							
Lease	Coos County Forest Lands							
Well No.	MEC Beaver Hill #2							
Location	1/4	NE	S	25	T	27S	R	14W
Wildcat or Field Name	Coos Bay Basin Coalfield							
Surveyed SHL Coordinates. For directional wells Include BHL.	SHL: 920' FNL, 3211' FWL Sec. 25, T27S-R14W Elevation: 571' ASL BHL: 660' FNL, 4620' FWL Sec. 25, T27S-R14W (C NE NE)							
Geologic Objective	Lower Coaledo Formation - "D" Coal Seam							
Proposed Depth	4500' (TVD)							

Signature


President
 Title

8-30-05
 Date

(3) Lease/Ownership (if other than applicant)

	Lessor (mineral owner)	Surface Owner	Lessee
Name	Coos County Commissioners c/o Bob Laport, Land Agt.	Same	Methane Energy Corp.
Mailing Address	Coos County Courthouse		21514 SE 254 th Place
City/State/Zip	Coquille, OR 97423		Maple Valley, WA 98038
Telephone	541-396-3121		425-432-1657
Fax	541-396-3651		425-433-1443
Email	blaport@co.coos.or.us		sp@methaneenergy.com

(4) Proposed Well Design (use additional sheets if necessary)

Size of hole	Size of Casing	Weight (pounds per foot)	Grade/Type	Depth	Type and Amount of Cement	
12 1/4"	8 5/8"	24	J-55	450'	Prem Plus 13.5-14 Ppg	240 sxs
7 7/8"	4 1/2"	11.6	J-55	4500' TVD	Prem. Plus 12.5-13.5 Ppg	900 sxs
						bbls.
						bbls.

(5) Slurry Design for each String (use additional sheets if necessary)

String 1	Annulus height	HT. left in casing	Excess	Density
Tail	ft.	ft.	bbls.	ppg.
Lead	ft.	ft.	bbls.	ppg.

String 2	Annulus Height	HT. left in casing	Excess	Density
Tail	ft.	ft.	bbls.	ppg.
Lead	ft.	ft.	bbls.	ppg.

(6) Geologic Information - if known (use additional sheets if necessary)

	1	at
Assumed fracture gradient of rock vs. depth	.43 psi/ft	4,200'
Pore gradient of rock vs. depth (if known)	psi/ft	ft.

2	at
psi/ft	ft.
psi/ft	ft.

3	at
psi/ft	ft.
psi/ft	ft.