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

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

(1) Permitee Information

Name: METHANE ENERGY CORP.
Mailing Address: 271 N. Baxter
City/State/Zip: Coquille, OR, 97423
Telephone: 541-396-3025
Fax: 541-396-3037
Email: RandalLongene@gmail.com
Prepared by: Tom Kerstes
On Site Contact: Ronald Ranier
Phone (day): 541-260-4389
Phone (night): 541-260-4389

(2) Well Information

County: Coos County
Lease: Menasha Forest Products Company
Well No.: 1029-26-13
Location: 14 SE 9 29 T 26 R 13
Want or Field: Westport
Elevation: 387.11" ft.
Surveyed SHL coordinates, include HH.: 1942.46' EFL.
for directional wells
Geologic Objective: Lower Cretaceous Formation
Proposed Depth: 2300' ft.

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

Lessor (mineral owner): MENASHA FOREST PRODUCTS
Mailing Address: P.O. Box 588
City/State/Zip: North Bend, OR, 97459
Telephone: 541-756-1993
Fax: 541-756-7833
Email: Troy@aemhmpco.com

Surface Owner: METHANE ENERGY CORP.

Lessees:
271 N. Baxter
Coquille, OR, 97423
541-396-3025
541-396-3037

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

<table>
<thead>
<tr>
<th>Size of hole</th>
<th>Size of Casing</th>
<th>Weight (pounds per foot/Weight in pounds per foot)</th>
<th>Grade/Type Grade/Type</th>
<th>Depth Depth</th>
<th>Type and Amount of Cement/Cemented interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.875&quot;</td>
<td>4.5&quot;</td>
<td>11.6</td>
<td>N-80</td>
<td>2300 ft.</td>
<td>&quot;Premium Plus&quot; 130 bbls.</td>
</tr>
</tbody>
</table>

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

String 1

<table>
<thead>
<tr>
<th>String 1</th>
<th>Annulus height</th>
<th>HT left in casing</th>
<th>Excess</th>
<th>Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tail</td>
<td>0 ft.</td>
<td>40 ft.</td>
<td>20 bbls.</td>
<td>13.5 ppg.</td>
</tr>
<tr>
<td>Lead</td>
<td>ft.</td>
<td>ft.</td>
<td>bbls.</td>
<td>ppg.</td>
</tr>
</tbody>
</table>

String 2

<table>
<thead>
<tr>
<th>String 2</th>
<th>Annulus height</th>
<th>HT left in casing</th>
<th>Excess</th>
<th>Density</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tail</td>
<td>0 ft.</td>
<td>40 ft.</td>
<td>50 bbls.</td>
<td>13.5 ppg.</td>
</tr>
<tr>
<td>Lead</td>
<td>ft.</td>
<td>ft.</td>
<td>bbls.</td>
<td>ppg.</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assumed fracture gradient of rock vs. depth</td>
<td>43 psi/ft.</td>
<td>3.110 ft.</td>
</tr>
<tr>
<td>Permeability of rock vs. depth (if known)</td>
<td>psi/ft.</td>
<td>ft.</td>
</tr>
</tbody>
</table>

MEO Wesport 10-29-26-13 DOBI# 494 010.