



Oregon

Theodore R. Kulongoski, Governor

Department of Geology & Mineral Industries

Mineral Land Regulation and Reclamation

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September 7, 2006

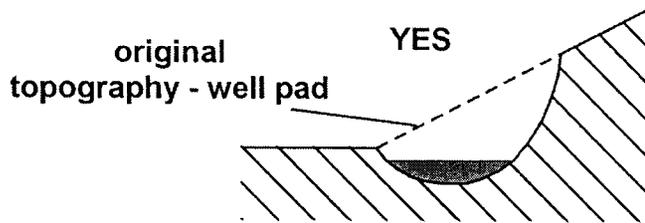
Methane Energy Corp.
21514 SE 254th Place
Maple Valley WA 98038

Permit to Drill Gas Well

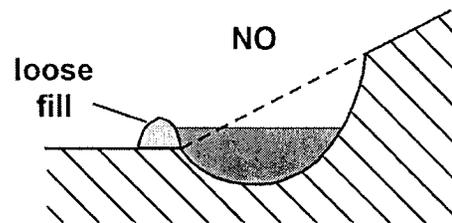
The application to drill a gas well, MEC Westport 15-21-26-13, located in Section 21, Township 26S, Range 13E, Coos County, Westport, DOGAMI ID No. 577, API No. 36-011-00061, has been approved with the following conditions:

The permittee shall:

1. Construct all sumps/mud pits by excavating below grade with a design and size for holding the drill cuttings and fluid removed from the well. Loose fill material will not be allowed to be used in the construction of the sumps/mud pits for the purposes of water retention.



sump/mud pit excavated below grade

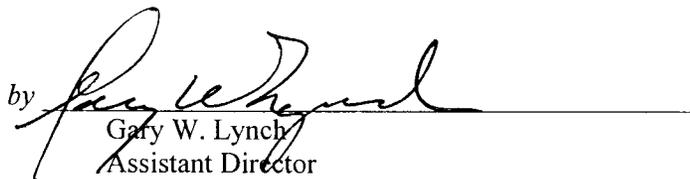


drilling fluids held by loose fill

2. Contact DOGAMI two weeks prior to spud.
3. Provide DOGAMI with a 2-week, a 3 day, and a 24-hour notice to schedule an inspection to witness all BOPE tests conducted prior to drilling out each casing shoe.
4. Per 632-010-0014(C) & (D), the BOPE shall be pressure tested: when installed, prior to drilling out casing shoes, following repairs or reassembly of the preventers that require disconnection a pressure seal in the assembly, and shall be actuated to test proper functioning once each trip or once each week, whichever is more frequent.

Issued on 9-7-, 2006

by



Gary W. Lynch
Assistant Director
Department of Geology

c: Coos County