APPLICATION FOR PERMIT TO DRILL NEW WELL OR STRATIGRAPHIC HOLE
(To be accompanied by a $25.00 permit fee for new wells only and a surety bond conditioned as provided by law.)

Ontario, Oregon September 25, 1956

Department of Geology and Mineral Industries
Portland, Oregon

In compliance with rules and regulations pursuant to ORS 520 (Chapter 667 OL 1953) application is hereby made for permit to drill a (new well (stratigraphic hole) ) to be known as CROCO OIL AND GAS COMPANY McBrine lease
Well No. 1 in NE SE 1/4 of Sec. 26, T. 16S., R. 16 E., W. B. & M., East Willow Creek Field, Malheur County.

This well is 1320 feet (N) of the South line and 1000 feet (E) (W) of the East line of Section 19.

(Give location from section or other legal subdivision lines or corners. Cross out wrong directions)

Elevation of ground above sea level is 2837.61 feet. All depth measurements are taken from top of ground level, which is 20 feet above ground.

The lessee is CROCO OIL AND GAS COMPANY
Address 2 N. 8th, Fayette, Idaho

The lessor is Floyd L. McBrine
Address Jamison, Oregon

We estimate that the first productive oil or gas sand should occur at a depth of about 5000 feet.
We propose to use the following strings of casing and to land or cement them as herein indicated:

<table>
<thead>
<tr>
<th>Size of hole</th>
<th>Size of casing</th>
<th>Weight in pounds per foot</th>
<th>Grade and type</th>
<th>New or second hand</th>
<th>Depth</th>
<th>Landed or cemented No.</th>
<th>sacks cement</th>
</tr>
</thead>
<tbody>
<tr>
<td>15&quot;</td>
<td>10-3/4&quot;</td>
<td>32#</td>
<td>45</td>
<td>New</td>
<td>150&quot;</td>
<td>150</td>
<td>200</td>
</tr>
<tr>
<td>7-7/8&quot;</td>
<td>9&quot;</td>
<td>32#</td>
<td>45</td>
<td>New</td>
<td>5000</td>
<td>200</td>
<td></td>
</tr>
</tbody>
</table>

We propose to drill with rotary tools.
If changes in the above plan become advisable we will notify you before cementing or landing casing.

Additional information including names of and expected depths to objective sands (Use additional sheets as needed):

We plan to drill through the basalt flows and test the sedimentary deposits, possibly of Jurassic age, on this East Flank of the Willow Creek granite dome.

I understand that this plan of work must receive approval in writing by the Director of the State Department of Geology and Mineral Industries.

Approved September 27, 1956

except as follows:

DEPARTMENT OF GEOLOGY & MINERAL INDUSTRIES
By [Signature] Director

CROCO OIL AND GAS COMPANY
Company or Operator

Position Secretary and Land Manager
Send communications regarding well to:
Name John L. Sullivan, Land Manager
Address 2 N. 8th, Fayette, Idaho

(Submit in triplicate)