APPLICATION FOR PERMIT TO DRILL AN OIL AND GAS WELL OR STRATIGRAPHIC HOLE
(To be accompanied by a $100 permit fee for new wells only and a surety bond conditioned as provided by law.)

Kimball, Nebraska 3/8/82

In compliance with rules and regulations pursuant to ORS 520 (Chapter 296 C.L. 1977) application is hereby made for permit to drill a (new well) to be known as Z & S Construction Co., Inc. Recla (company or operator) (lease)

Well No. 1 in SE ¼ of Sec. 9 T. 19 N., R. 44 W., W.B.&M., Vale Area Field, Malheur County.

Survey Coordinates: FR. SE Corner 000' N., 000' W.

Elevation of ground above sea level is 2,334 feet. All depth measurements are taken from top of __________, which is __________ above ground.

Lessor: Charles C. Gross, Jr.

Address: P.O. Box 645, Pine Bluffs, Wyoming 82082

Lessee: George E. Recla and Mary B. Recla

Address: Vale Oregon

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

<table>
<thead>
<tr>
<th>Size of</th>
<th>Size of</th>
<th>Weight in pounds</th>
<th>Grade and type</th>
<th>New or second hand</th>
<th>Depth</th>
<th>Landed or cemented</th>
</tr>
</thead>
<tbody>
<tr>
<td>hole</td>
<td>casing</td>
<td>per foot</td>
<td></td>
<td></td>
<td></td>
<td>No. sacks cement</td>
</tr>
<tr>
<td>12 3/4</td>
<td>8 5/8</td>
<td>24</td>
<td>J-55 CF&amp;I</td>
<td>New</td>
<td>600'</td>
<td>300 sacks</td>
</tr>
<tr>
<td>7 7/8</td>
<td>5 1/2</td>
<td>14</td>
<td>J-55 USS</td>
<td>New</td>
<td>4850</td>
<td>150 to 200</td>
</tr>
</tbody>
</table>

Proposed Depth: 4850 Ft.

Objectives: to find producable oil and/or gas

Z & S Construction Co., Inc.

Approved April 21, 1982

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

DEPT. OF GEOLOGY & MINERAL INDUSTRY

Petroleum Engineer

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 statewide goals.