STATE OF OREGON
DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES
1069 State Office Building  Portland, Oregon  97201

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

Douglas County, Oregon March 17, 1980

In compliance with rules and regulations pursuant to OGS 320 (Chapter 296 OR 1977) application is hereby made for permit to drill a (new well-Oil) to be known as Northwest Exploration Co. (Sawyer (company or operator) (lease)

Rapids) Well No. 1 in NE/4 of Sec. 3, T.23S, R. 9W
Wildcat Field, Douglas County.

Survey Coordinates: 2099' FNL & 250 FEL Sec. 3, T23S, R9W

Elevation of ground above sea level is 400 feet. All depth measurements are taken from top of Kelly Bushing, which is 12 1/2' above ground.

Lessee: Northwest Exploration Company
Address: One Park Central--Suite 1487 Denver, Colorado 80202

Lessor: International Paper Company
Address:

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</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-1/4&quot;</td>
<td>9-5/8&quot;</td>
<td>36</td>
<td>K-55</td>
<td>New</td>
<td>600'</td>
<td>225 SKS</td>
</tr>
<tr>
<td>8-3/4&quot;</td>
<td>4-1/2&quot;</td>
<td>10.5</td>
<td>K-55</td>
<td>New</td>
<td>6000'</td>
<td>610 SKS</td>
</tr>
</tbody>
</table>

Proposed Depth: 6000' Objectives: EOCENE

Approved April 4, 1980

DEPT. OF GEOLOGY & MINERAL INDUSTRY
By __________ Director

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 note a determination of compliance with statewide goals.