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.)

Portland, Oregon March 17, 1981

In compliance with rules and regulations pursuant to ORS 590 (Chapter 296, SL 1977) application is hereby made for permit to drill a well to be known as American Quasar Petroleum Co., Wildcat, in NW NE 1/4 of Sec. 13, T. 10S, R. 3W, S.W.A.M., County, Survey Coordinates: 660' FNL & 1980' FEL.

Elevation of ground above sea level is 10.5 feet. All depth measurements are taken from top of Kelly Bushing, which is 10.5 above ground.

Lessor: Mobil Oil Corporation
Address: Box 5444, Denver, Colorado 80217

Lessee: Gladys M. Wolverton
Address: Rte 2, Bx 290, Jefferson, Oregon 97352

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>
<th>No. packs cement</th>
</tr>
</thead>
<tbody>
<tr>
<td>9-7/8&quot;</td>
<td>5 3/4&quot;</td>
<td>20#</td>
<td>K55</td>
<td>New</td>
<td>100%</td>
<td>Cnt. to surf.</td>
<td></td>
</tr>
<tr>
<td>64&quot;</td>
<td>4&quot;</td>
<td>9.5#</td>
<td>K55</td>
<td>New</td>
<td>5000'</td>
<td>200</td>
<td></td>
</tr>
</tbody>
</table>

Proposed Depth: 5000'

Objectives: Spencer

American Quasar Petroleum Co.

Approved April 21, 1981

by John F. Works
Position Division Drilling Engineer
Send communications regarding well to:
Name American Quasar Petroleum Co.
Address 204 Superior Bldg, 201 No. Wolcott,
Casper, Wyoming 82601

NOTE: This permit is valid only if land use approval is obtained from the county and city or other local political subdivisions where drilling takes place, and provided these authorities make a determination of compliance with state and local laws.