

Department of Geology & Mineral Industries

Mineral Land Regulation and Reclamation 229 Broadalbin Street SW Albany, OR 97321-2246 541-967-2039 FAX 541-967-2075

April 14, 2004

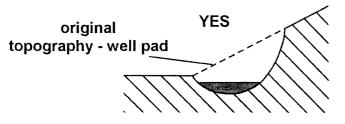
Taylor Operating Company, LLC PO Box 658 Napavine WA 98656

Permit to Drill Gas Well

The application to drill a gas well, CC 13-03-55, located in Section 3, Township 5N, Range 5W, Wildcat, DOGAMI ID No. 541, 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.



NO

loose

fill

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 4,14,2004

904 by J V ULL PABob Houston

Petroleum - Geothermal Geologist

Natural Resource Specialist

Mineral Land Regulation and Reclamation

c: Columbia County