

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 OR STRATIGRAPHIC HOLE  
 (To be accompanied by a \$100 permit fee for new wells only and a surety bond conditioned as provided by law.)

St. Helens, Oregon February 9 1982

In compliance with rules and regulations pursuant to ORS 520 (Chapter 296 OL 1977) application is hereby made for permit to drill a (new well) (stratigraphic hole) to be known as REICHHOLD ENERGY CROWN ZELLERBACH  
 (company or operator) (lease)

Well No. 32-26 in NE/4 of Sec. 26, T. 5N, R. 4W W.B.&M,  
Field, Columbia County.

Survey Coordinates: 1550' S. and 1800' W. of NE corner Sec. 26

Elevation of ground above sea level is 880' feet. All depth measurements are taken from top of Kelly Bushing, which is 11.5 above ground.

Lessee: REICHHOLD ENERGY CORP.

Address: P.O. Box 810, St. Helens, OR. 97051

Lessor: CROWN ZELLERBACH CORP.

Address: Mist Route, P.O. Box 48, Vernonia, OR. 97064

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

| Size of hole   | Size of casing | Weight in pounds per foot | Grade and type | New or second hand | Depth       | Landed or cemented No. sacks cement |
|----------------|----------------|---------------------------|----------------|--------------------|-------------|-------------------------------------|
| <u>9 5/8</u>   | <u>7"</u>      | <u>20</u>                 | <u>K</u>       | <u>N</u>           | <u>650</u>  | <u>210 sks.</u>                     |
| <u>6 7/8</u>   | <u>4 1/2"</u>  | <u>10.5</u>               | <u>K</u>       | <u>N</u>           | <u>6500</u> | <u>200 sks.</u>                     |
| <u>12 1/2"</u> | <u>9 5/8"</u>  |                           |                |                    |             |                                     |
| <u>7 7/8"</u>  | <u>5 1/2"</u>  |                           |                |                    |             |                                     |

*See letter 3-12-82 Reichhold → Dept. of Geology*

Proposed Depth: 6500' Objectives: Clark & Wilson Sand,  
4300'; Clatskanie Sand, 5800'

Approved March 10, 1982  
 except as follows: The October 1980 stipulations approved by the Governing Board of the Dept. will be made a condition of this permit.  
 DEPT. OF GEOLOGY & MINERAL INDUSTRY  
 By [Signature]  
 Petroleum Engineer

REICHHOLD ENERGY CORPORATION  
 company or operator  
 By [Signature]  
 Position Manager, Operations  
 Send communications regarding well to:  
 Name W.F. Covert, c/o Reichhold Energy Corp.  
 Address P.O. Box 810  
St. Helens, OR 97051

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.

*[Handwritten initials]*