APPLICATION TO DRILL OIL OR GAS WELL
STATE OF OREGON • DEPT OF GEOL. & MINERAL INDUSTRIES • 229 BROADALBIN ST SW • ALBANY OR 97321

(In compliance with rules and regulations pursuant to ORS 520)

(1) Permittee Information

Name	Methane Energy Corporation
Mailing Address	21514 SE 254th Place
City/State/Zip	Maple Valley, WA 98038
Telephone	425-432-1657
Fax	208-330-9870
Email	sp@methaneenergy.com
Prepared by	Steve Pappajohn
On Site Contact	Loran Wiese
Phone (day)	541-290-0837
Phone (night)	541-396-4169
Other	541-396-3025

(2) Well Information

County	Coos							
Lease	Coos County Forest Lands							
Well No.	MEC Beaver Hill #3							
Location	1/4	SW	S	12	T	27S	R	14W
Wildcat or Field Name	Coos Bay Basin Coalfield							
Surveyed SHL Coordinates. For directional wells Include BHL.	SHL: NE SE SW Sec. 12, T27S-R14W Elevation: 319' ASL BHL: 1527' FSL, 2533' FWL Sec. 12, T27S-R14W (SE NE SW)							
Geologic Objective	Lower Coaledo Formation - "D" Coal Seam							
Proposed Depth	5433' (TVD)							

President	6-30-05
Signature	*Title*	*Date*

(3) Lease/Ownership *(if other than applicant)*

	Lessor (mineral owner)	Surface Owner	Lessee
Name	Coos County Commissioners c/o Bob Laport, Land Agt.	Same	Methane Energy Corp.
Mailing Address	Coos County Courthouse		21514 SE 254th Place
City/State/Zip	Coquille, OR 97423		Maple Valley, WA 98038
Telephone	541-396-3121		425-432-1657
Fax	541-396-3651		425-433-1443
Email	blaport@co.coos.or.us		sp@methaneenergy.com

(4) Proposed Well Design *(use additional sheets if necessary)*

Size of hole	Size of Casing	Weight (pounds per foot)	Grade/Type	Depth	Type and Amount of Cement	
12 ¼"	8 5/8"	24	J-55	550'	Prem. Plus 13.5-14 Ppg	260 sxs
7 7/8"	4 1/2"	11.6	J-55	5433' (5533' MD)	Prem. Plus 12.5-13.5 Ppg	900 sxs
						bbls.
						bbls.

(5) Slurry Design for each String *(use additional sheets if necessary)*

String 1	Annulus height	HT. left in casing	Excess	Density
Tail	ft.	ft.	bbls.	ppg.
Lead	ft.	ft.	bbls.	ppg.

String 2	Annulus Height	HT. left in casing	Excess	Density
Tail	ft.	ft.	bbls.	ppg.
Lead	ft.	ft.	bbls.	ppg.

(6) Geologic Information - if known *(use additional sheets if necessary)*

	1	at	2	at	3	at
Assumed fracture gradient of rock vs. depth	.43 psi/ft	4,200'	psi/ft	ft.	psi/ft	ft.
Pore gradient of rock vs. depth (if known)	psi/ft	ft.	psi/ft	ft.	psi/ft	ft.