



Oregon

Theodore R. Kulonogski, Governor

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

September 7, 2006

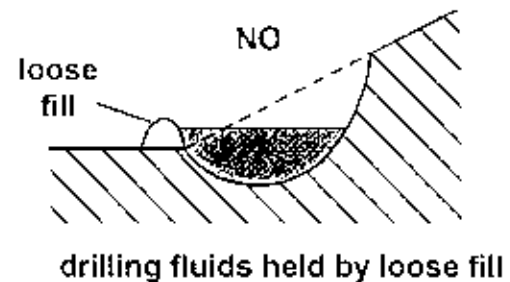
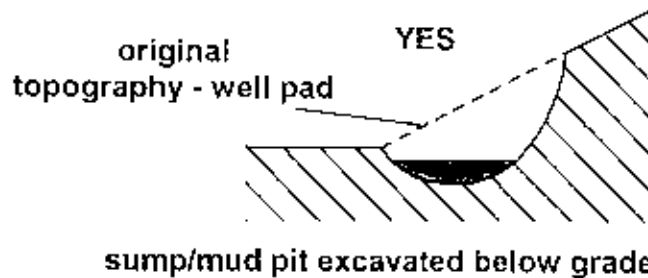
Methane Energy Corp.
21514 SE 254th Place
Maple Valley WA 98038

Permit to Drill Gas Well

The application to drill a gas well, MEC Westport 06-28-26-13, located in Section 28, Township 26S, Range 13W, Coos County, Westport, DOGAMI ID No. 575, API No. 36-011-00059, has been approved with the following conditions:

The permittee shall:

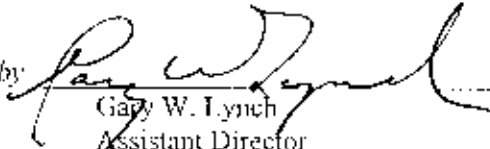
1. Construct all sumps/mud pits by excavating below grade with a design and size for holding the drill cuttings and fluid removed from the well. Loose fill material will not be allowed to be used in the construction of the sumps/mud pits for the purposes of water retention.



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 9-7, 2006

by


 Gary W. Lynch
 Assistant Director
 Department of Geology

c: Coos County