

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

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

RECEIVED
 JUL 14 2006

(1) Permittee Information

Name	METHANE ENERGY CORP.
Mailing Address	271 N. Baxter
City/State/Zip	Coquille, OR, 97423
Telephone	541-396-3025
Fax	541-396-3037
Email	Ronaldranger@gmail.com
Prepared by	Tom Kerestes
On Site Contact	Ronald Ranger
Phone (day)	541-260-4389
Phone (night)	541-260-4389
Other	

(2) Well Information

County	Coos County							
Lease	Menasha Forest Products Company							
Well No.	8-32-26-13							
Location	1/4	NE	S	32	T	26	R	13
Wildcat or Field	Westport							
Elevation	134.25' fl.							
Surveyed SHL coordinates; include BBL for directional wells	1018.23' FE1. 2039.73' FN1.							
Geologic Objective	Lower Coaledo Formation							
Proposed Depth	2300' fl.							

Handwritten signature of Tom Kerestes

President
Title

July 14, 2006
Date

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

	LESSOR (mineral owner)	Surface Owner	Lessee
Name	MENASHA FOREST PRODUCTS		METHANE ENERGY CORP.
Mailing Address	P.O. Box 588		271 N. Baxter
City/State/Zip	North Bend, OR 97459		Coquille, OR, 97423
Telephone	541-756-1193		541-396-3025
Fax	541-756-7833		541-396-3037
Email	thoesly@menashapfc.com		sq@methaneenergy.com

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

Size of hole	Size of Casing Size of Casing	Weight (pounds per foot/Weight in pounds per foot)	Grade/Type Grade/Type	Depth Depth	Type and Amount of Cement/Cemented interval
12.25"	8.625"	24.0	J-55	280 fl.	"premium Plus" 35 bbls.
7.875"	4.5"	11.6	N-80	2300 fl.	"premium Plus" 130 bbls.
					bbls.
					bbls.

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

String 1	Annulus height	BBL left in casing	Excess	Density
Tail	0 ft.	40 fl.	20 bbls.	13.5 ppg.
Lead	ft.	fl.	bbls.	ppg.

String 2	Annulus height	HT left in casing	Excess	Density
Tail	0 ft.	40 fl.	50 bbls.	13.5 ppg.
Lead	ft.	fl.	bbls.	ppg.

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

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