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)

(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 Keresles
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.	7-15-26-13
Location	1/4 NE S 15 T 26 R 13
Wildcat or Field	Westport
Elevation	318.41' ft.
Surveyed SHL coordinates; include BHL for directional wells	1585.35' FNL 2446.33' FWL
Geologic Objective	Lower Coaledo Formation
Proposed Depth	3400' ft

President — June 22, 2006

Signature — *Title* — *Date*

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

	Lessor (mineral owner)	Surface Owner	Lessee
Name	MENASHA FOREST PRODUCTS	← Same	METHANE ENERGY CORP.
Mailing Address	PO. 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		spar@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	350 ft.	"premium Plus"	45 bbls
7.875"	4.5"	11.6	N-80	3400 ft	"premium Plus"	190 bbls.
						bbls.
						bbls

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

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

String 2	Annulus height	HT left in casing	Excess	Density
Tail	0 ft.	40 ft	50 bbls.	13.5 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	3100 ft	psi/ft	ft.	psi/ft	ft.
Pore gradient of rock vs. depth (if known)	psi ft	ft.	psi/ft	ft	psi/ft	ft.