

## APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

**HNZ Potash**

Address

City

State

Phone Number

1900 N. Akard

Dallas

TX.

214.978.8684

Drilling Contractor

Address

### DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor

Fee land HNZ Potash

Well number

HNZ Potash SW #7

Elevation (ground)

5441'

Nearest distance from proposed location to property or lease line:

feet

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

N/A

feet

Number of acres in lease

Approximately 74,000 acres

Number of wells on lease, including this well, completed in or drilling to this reservoir:

N/A

If lease purchased with one or more wells drilled, from whom purchased.

Name

Address

Well location (give footage from section lines)

194' from E. line, 2118' from S. line Sec. 23

Section - Township - Range or Block and Survey

Sec. 23, T16N R22E

Dedication per A.A.C. R12-7-104(A)(3)

N/A

Field and reservoir (if wildcat, so state)

Stratigraphic test well for potash

County

~~Apache~~ Navajo

Distance in miles and direction from nearest town or post office

Approximately 25 miles from Holbrook, AZ.

Proposed depth:

1200'

Rotary or cable tools

Rotary

Approximate date work will start

3/30/11

Bond status

Posted

Amount ~~\$25,000~~ 50,000

Organization Report

On file  Or attached

Filing Fee of \$25.00

Attached Yes

Remarks

twins Atkka # 19 NMA (PIN 362)

API # 02-~~001-20392~~<sup>017-20051</sup>

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the:

HNZ Potash

(company), and that I am authorized by said company to make this report; and that this

report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

**C. Brian Boutte**

Digitally signed by C. Brian Boutte  
DN: cn=C. Brian Boutte, o=Hunt NZ LLC, ou=Hunt  
Consolidated, email=bboutte@huntoil.com, c=US  
Date: 2011.01.14 10:54:37 -0600

Signature

*C. Brian Boutte*

Date

1/14/11

Mail completed form to:  
Oil and Gas Program Administrator  
Arizona Geological Survey  
416 W. Congress, #100  
Tucson, AZ 85701-1315

Permit Number:

1016

Approval Date:

1-28-2011

Approved By:

SL Rainey

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

**STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION**

Application to Drill or Re-enter

File Two Copies

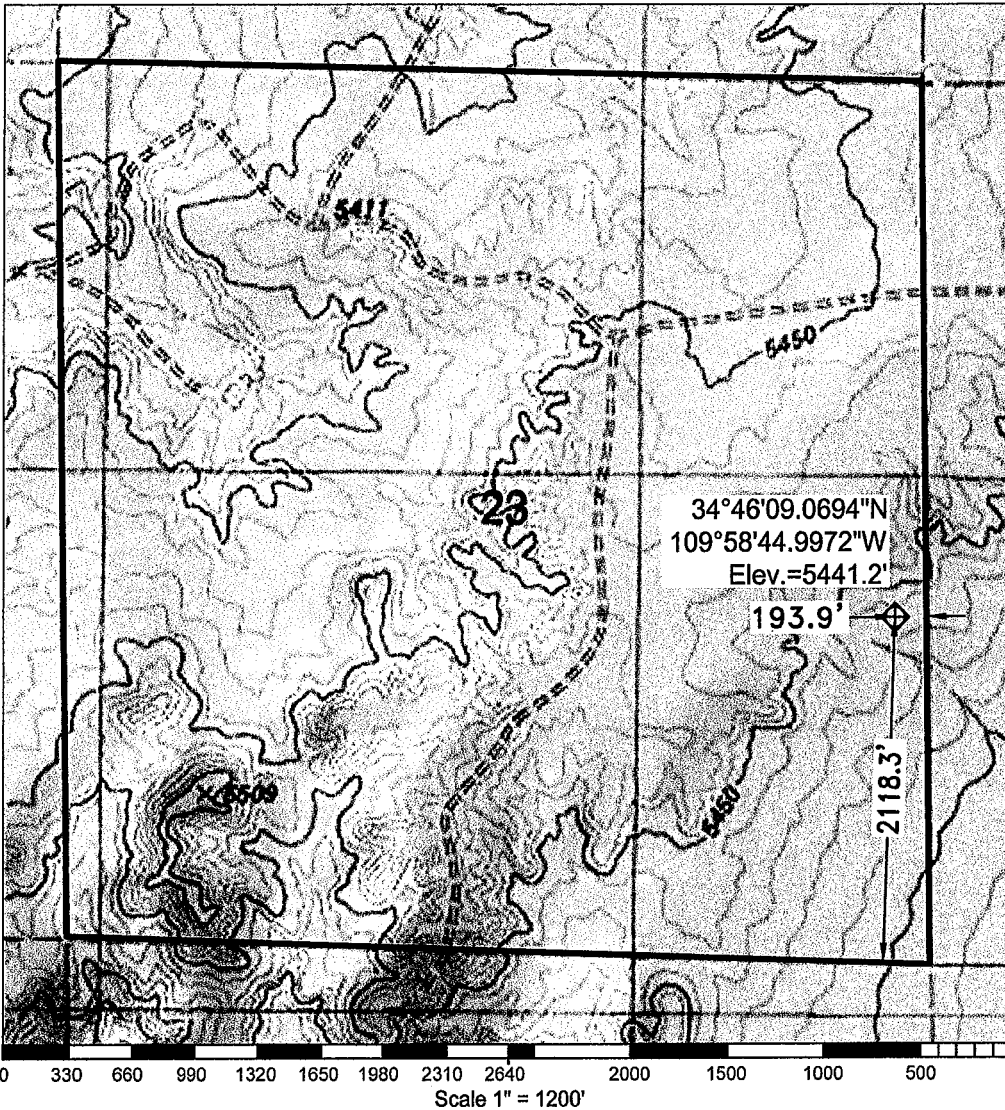
Form No. 3

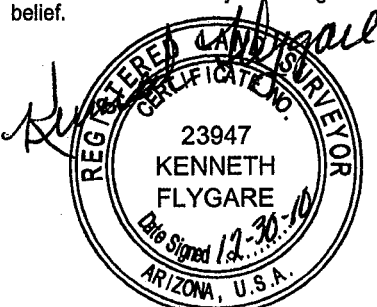
(Complete Reverse Side)

5/96

1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION. PN 1016
4. Is the operator the only owner in the dedicated acreage outlined on the plat below? YES  NO
5. If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise? YES  NO  If answer is yes, give type of consolidation see acreage
6. If the answer to question four is no, list all of the owners and their respective interests below:

Owner	Land Description Sec 23, T. 16 N., R. 22 E.
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<b>CERTIFICATION</b>	
I hereby certify that the information above is true and complete to the best of my knowledge and belief.	
Name <u>Kenneth Flygare, PLS</u>	
Position <u>President</u>	
Company <u>Terra Visa Group, Inc</u>	
Date <u>12/30/10</u>	
I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
	
Expires 12/31/2011	
Date Surveyed	12/21/2010
Registered Land Surveyor  Kenneth Flygare, PLS	
Certificate No.	LS 23947

**PROPOSED CASING PROGRAM**

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
6.625"	20.1#	PWT	5441'	1200'	Casing temporarily removed at completion of hole	6-9 Sacks for surface casing	Driller Supply
4.5"	11.8#	HWT	(surface)	TD			