

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

Southwest Exploration, Inc. / Passport Potash, Inc.

Address	City	State	Phone Number
3266 W. Galveston #101	Apache Junction	Arizona	480-288-6530

Drilling Contractor **K & M Drilling**

Address **2432 Private Drive, Camp Verde, Arizona 86322**

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor Option to Purchase the Twin Buttes Ranch	Well number TBR-2011 #9	Elevation (ground) -5539.0 5561
Nearest distance from proposed location to property or lease line: W 2616.2 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 640	Number of wells on lease, including this well, completed in or drilling to this reservoir: 0	

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

Well location (give footage from section lines) S 2600.2 W 2616.2 3242 ft 2397 ft	Section - Township - Range or Block and Survey S9 - T17N - R23E	Dedication per A.A.C. R12-7-104(A)(3) N/A
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Field and reservoir (if wildcat, so state) Wildcat - Stratigraphic - Potash	County Navajo
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Distance in miles and direction from nearest town or post office
Approx. 15 miles SE of Holbrook, AZ

Proposed depth: 1450'	Rotary or cable tools Rotary / Core	Approximate date work will start February 2011
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Bond status On File	Organization Report On file <input checked="" type="checkbox"/> Or attached	Filing Fee of \$25.00 Attached <input checked="" type="checkbox"/>
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Remarks **Amended location**

API 02-017-20044

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Agent of the Southwest Exploration, Inc. / Passport Potash, Inc. (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.

Signature 

Date **1-21-2011**

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

Permit Number: 1027
Approval Date: 2-4-2011
Approved By: SL Rainey

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

Application to Drill or Re-enter
File Two Copies

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

Form No. 3

- Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
- A registered surveyor shall show on the plat the location of the well and certify this information in the space provided. *RN 1027*
- ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- Is the operator the only owner in the dedicated acreage outlined on the plat below? YES NO
- If the answer to question four is no, have the interests of all owners been consolidated by communization agreement or otherwise? YES NO If answer is yes, give type of consolidation _____
- If the answer to question four is no, list all the owners and their respective interests below:

Owner Southwest Exploration, Inc. / Passport Potash, Inc.	Land Description S9 -T17N - R23E
CERTIFICATION I hereby certify that the information above is true and complete to the best of my knowledge and belief.	
Name Joshua Bleak	
Position Agent	
Company Southwest / Passport	
Date	
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.	
Date Surveyed <i>1/11/11</i>	
Registered Land Surveyor <i>Gerald K. Wood</i>	
Certificate No. LS 22290	

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
6.625"	20.1	PWT	553'	1450' TD	50' Plug at	6-9 Bags for	Driller Supplied
4.5"	11.8 lbs / ft	HWT			Fresh / Salt Interval	Surface Casing	

Location Change Only

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Address

City

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3266 W. Galveston #101

Apache Junction

Arizona

480-288-6530

Drilling Contractor

K & M Drilling

Address 2432 Private Drive, Camp Verde, Arizona 86322

DESCRIPTION OF WELL AND LEASE

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

Option to Purchase the Twin Buttes Ranch

Well number

TBR-2011 #9

Elevation (ground)

556'

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

640

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

0

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

Name

Address

Well location (give footage from section lines)

S from N line 32416' / West from E 2371'

Section - Township - Range or Block and Survey

S9 - T17N - R23E

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

N/A

Field and reservoir (if wildcat, so state)

Wildcat - Stratigraphic - Potash

County

Navajo

Distance in miles and direction from nearest town or post office

Approx. 15 miles SE of Holbrook, AZ

Proposed depth:

1450'

Rotary or cable tool

Rotary / Core

Approximate date work will start

February 2011

Bond status

On File

Organization Report

Filing Fee of \$25.00

Amount

\$50,000

On file X

Or attached

Attached X

Remarks

Amended location

APL 02-017-20044

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

Signature

Date

Mail completed form to: Oil and Gas Program Administrator, Arizona Geological Survey, 418 W. Congress, #100, Tucson, AZ 85701-1315

Permit Number: 1027

Approval Date:

3-8-11

Approved By:

SL Raig

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STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter File Two Copies

Form No. 3

(Complete Reverse Side)

5/98

?N 1027

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Owner Southwest Exploration, Inc. / Passport Potash, Inc.	Land Description S9 -T17N - R23E
	<p style="text-align: center;">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p style="text-align: right;"><i>[Signature]</i></p> <p>Name Joshua Bleak</p> <p>Position Agent</p> <p>Company Southwest / Passport</p> <p>Date 03/01/11</p> <p>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.</p> <p>Date Surveyed 2/01/2011</p> <p>Registered Land Surveyor</p> <p style="text-align: right;"><i>[Signature]</i></p> <p>Certificate No. LS 22290</p>

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
6.625" 4.5"	20.1 11.8 lbs / ft	PWT HWT		1450' TD	50' Plug at Fresh / Salt Interval	6-9 Bags for Surface Casing	Driller Supplied