APPLICATION FOR PERMIT TO DRILL OR RE-ENTER
APPLICATION TO DRILL [ ] RE-ENTER OLD WELL [ ]

NAME OF COMPANY OR OPERATOR
American West Potash

Address
600 17th Street S.W., Suite 22005
Denver, CO 80202
Phone Number: 303-634-2257

Drilling Contractor
Stevens Bros.

Address
Box 2067
Milan, NM 87031

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor
AsLD 08-144877

Well number
KG-4

Elevation (ground)
5643 ft

Nearest distance from proposed location to property or lease line:
1096 feet from W line Sec 30

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:
KG-3

12,000 feet

Number of acres in lease
640

Number of wells on lease, including this well, completed in or drilling to this reservoir:
1

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

33356.4' @ 1096.2' ENE

Well location (give footage from section lines)

Section - Township - Range or Block and Survey

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

Field and reservoir (if wildcat, so state)

County
Aguila

Distance in miles and direction from nearest town or post office
37 miles from Holbrook

Proposed depth:
1000'

Rotary or cable tools

Rotary

Bond status
On file

Organization Report

Amount
45,000

Filing Fee of $25.00

Remarks
1. Drill-use wiring tools
2. Temporary case - 0-300'
3. Core - 1000'-1500'

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

Signature

Date
4-4-2011

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Application to Drill or Re-enter
File Two Copies

Form No. 3

(Complete Reverse Side)
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.

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

6. If the answer to question four is no, list all the owners and their respective interests below:

<table>
<thead>
<tr>
<th>Owner</th>
<th>Land Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>30 - 17n - 26e</td>
</tr>
</tbody>
</table>

### CERTIFICATION

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Name

Position

Company

Date

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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: 3/23/2011

Registered Land Surveyor: Gerald K. Wood

Certificate No.: L522290

### PROPOSED CASING PROGRAM

<table>
<thead>
<tr>
<th>Size of Casing</th>
<th>Weight</th>
<th>Grade &amp; Type</th>
<th>Top</th>
<th>Bottom</th>
<th>Cementing Depths</th>
<th>Sacks Cement</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>8½ hole 0-500'</td>
<td>31.6#</td>
<td>Left Hand Thread - Re-useable</td>
<td>O</td>
<td>approx. 500'</td>
<td>0-40°</td>
<td>approx. 20-40</td>
<td>Class I-JA</td>
</tr>
</tbody>
</table>