

## APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR

*American West Potash*

Address

City

State

Phone Number

*600 17th Street Suite 2800S Denver CO 80202 303-634-2239*

Drilling Contractor

*Stewart Bros*

Address

*PO Box 2067 Milan, NM 87021*

### DESCRIPTION OF WELL AND LEASE

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

*ASLD 08-114206*

Well number

*KG-7*

Elevation (ground)

~~5866~~ *5853'*

Nearest distance from proposed location to property or lease line:

*490'*  
*100 ft from W Line - Sec 6* feet

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

*KG-5* 10,000 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.

Name

Address

*757' fnl 490' fwl*

Well location (give footage from section lines)

*100 ft from W Line - Sec 6*

Section - Township - Range or Block and Survey

*NW 1/4 NW 1/4 Sec 6 T17N R26E*

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

*n/a*

Field and reservoir (if wildcat, so state)

County

*Apache*

Distance in miles and direction from nearest town or post office

*37 miles from Holbrook*

Proposed depth:

*1500'*

Rotary or cable tools

*Rotary*

Approximate date work will start

*April 20, 2011*

Bond status

*on file*

Organization Report

On file

Or attached

Filing Fee of \$25.00

Attached

Remarks

*Plan*

- 1. Drill - use wireline tools*
- 2. Temporary Case - 500'*
- 3. Core - 1000' - 1500'*

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

*President*

of 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.

*API 02-001-20392*

Signature

*Patrick Perry*

Date

*4-4-2011*

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

Permit Number:

*1039*

Approval Date:

*4-18-11*

Approved By:

*SL Perry*

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

- 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.
- 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 communitization 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	Land Description <b>6-17n-26e</b>
<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>Name _____</p> <p>Position _____</p> <p>Company _____</p> <p>Date _____</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 <b>3/24/2011</b></p>	
<p>Registered Land Surveyor</p> <p style="text-align: center; font-size: 1.2em;"><b>Gerald K. Wood</b></p>	
<p>Certificate No. <b>L5 22290</b></p>	

General Plan

**PROPOSED CASING PROGRAM**

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
8 1/2" hole 0-500' 2" casing	31.68#	Left Hand Thread- Re-useable	0	approx. 500'	0-40' 9 5/8" Conductor	Appo. 20-40 Class I-IA	