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 Suite 2800S Denver CO 80202

Drilling Contractor
Stewart Bros

Address
P.O. Box 2067 Milan, NM 87021

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor
A5L D 08-114198

Well number
K6-12

Elevation (ground)
5104 615'1

Nearest distance from proposed location to property or lease line:
2132' feet from 4+ line Sec 14

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:
K6 - 11 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.

Well location (give footage from section lines):
2500 ft from 4+ line Sec 14

Section - Township - Range or Block and Survey
41B 6R 16N R 17N K 26E

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

Field and reservoir (if wildcard, 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

Organization Report
On file

Filing Fee of $25.00

Remarks

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:

American West Potash

President

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

Permit Number:

Approval Date:

Approved By:

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.

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 communization 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>14-18n-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

**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 6-500'</td>
<td>31.6lb</td>
<td>Left Hand</td>
<td>Oppox. 500'</td>
<td>0-40'</td>
<td>20-40</td>
<td>Class I-IA</td>
<td></td>
</tr>
</tbody>
</table>