

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 88322**

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor Option to Purchase Twin Buttes Ranch	Well number TBR #15	Elevation (ground) 5658'
Nearest distance from proposed location to property or lease line: 1934 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) 1934' FSL; 2441' FEL	Section - Township - Range or Block and Survey S3 - 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 July, 2011
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Bond status <u>On File</u> Amount \$50,000	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

API # 02-017-20061

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

7/13/2011
Date

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

Permit Number: **1071**
Approval Date: **7-18-2011**
Approved By: **SL Raig**

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**

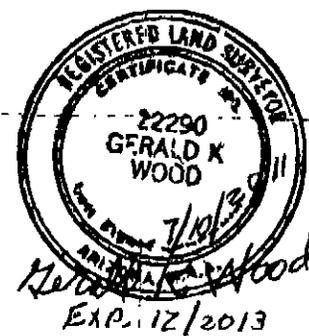
Application to Drill or Re-enter
File Two Copies

Form No. 3

PN 1071

- 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
Southwest Exploration, Inc. / Passport Potash, Inc.	S3 - T17N - R23E

<div style="text-align: center; margin-bottom: 10px;">sec 3</div> <div style="text-align: center; margin-bottom: 10px;">T17N R23E</div> <div style="margin-bottom: 10px;"> <p>N34°54'02.3"</p> <p>W109°53'19.2"</p> <p>Elev. 5658</p> <p>WGS 84</p> <p>NAV D 83</p> </div> <div style="margin-bottom: 10px;"> <p>E 2441.0'</p> <p>S 1934.0'</p> </div> <div style="text-align: center; margin-bottom: 10px;">  </div>	<div style="text-align: center; margin-bottom: 10px;">CERTIFICATION</div> <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: center;">Joshua Bleak</p> <hr/> <p>Name</p> <p style="text-align: center;">CEO</p> <hr/> <p>Position</p> <p style="text-align: center;">Passport Potash, Inc.</p> <hr/> <p>Company</p> <p style="text-align: center;">7/13/2011</p> <hr/> <p>Date</p> <p style="text-align: center;"><i>[Signature]</i></p> <hr/> <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> <hr/> <p>Date Surveyed 7/10/2011</p> <hr/> <p>Registered Land Surveyor</p> <p style="text-align: center; font-size: 1.2em;">Gerald K. Wood</p> <hr/> <p>Certificate No. LS 22290</p>
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PROPOSED CASING PROGRAM

Size of Casing 6.625" 4.5'	Weight 20.1 11.8 lbs/ft	Grade & Type PWT HWT	Top	Bottom 1450' TD	Cementing Depths 50' plug at fresh/ salt interval	Sacks Cement 6-9 bags for surface casing	Type Driller supplied
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