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 St., Suite 2000, Denver, CO 80202

Postal Code

203-634-7239

Drilling Contractor

Stewart Bros.

Address

70 Box 2067, Milan, NM 87021

DESCRIPTION OF WELL AND LEASE

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

Well number

AWP 20

Elevation (ground)

5623

Nearest distance from proposed location to property or lease line:

Survey

SW Corner of Sec 33

961

Number of acres in lease

640

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

640

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

Name

Address

Well location (give footage from section lines)

96' from W. line, 63' from S. line

Section - Township - Range or Block and Survey

Sec. 33, T19R14E

Dedication per A.A.C. 12-7-104(A)(3)

n/a

County

Apache

Distance in miles and direction from nearest town or post office:

27 miles east of Holbrook.

Proposed depth:

1600'

Reservoir or other tools:

Rotary

Approximate date work will begin:

2-15-2012

Bond status:

On file

Organization Report:

Filing Fee of $25.00

Amount

50,000

On file

Or attached

Remarks

Potash exploration

API

02-001-20434

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.

Signature

Date

1-14-2012

Permit Number:

1089

Approval Date:

2-6-2012

STATE OF ARIZONA

OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter:

File Two Copies

Form No. 3
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>SW 4/4 sec 33, T19N, R26E</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

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: 12/22/2011

Registered Land Surveyor

Gerald K. Wood

Certificate No. 15 22290

**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>8 3/4&quot;</td>
<td></td>
<td></td>
<td>0</td>
<td>± 800'</td>
<td>basic Coconino</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7&quot;</td>
<td></td>
<td></td>
<td>0</td>
<td>± 1600'</td>
<td>bottom up</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>