APPLICATION FOR PERMIT TO DRILL OR RE-ENTER
APPLICATION TO DRILL  X    RE-ENTER OLD WELL  

NAME OF COMPANY OR OPERATOR
Passport Potash, Inc.

<table>
<thead>
<tr>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>3346 W. Guadalupe Rd</td>
<td>Apache Junction</td>
<td>Arizona</td>
<td>480-288-6530</td>
</tr>
</tbody>
</table>

Drilling Contractor: K & M Drilling

Address: 2432 Private Drive, Camp Verde, Arizona 85322

DESCRIPTION OF WELL AND LEASE

<table>
<thead>
<tr>
<th>Federal, State or Indian Lease Number, or if fee lease, name of lessor</th>
<th>Well number</th>
<th>Elevation (ground)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitzgerald Trust</td>
<td>FT #5</td>
<td>5504&quot;</td>
</tr>
</tbody>
</table>

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

0 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): 2654.4' FNL, 6019.2' FEL

Section - Township - Range or Block and Survey: S7- T16N - R23E

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

Field and reservoir (if wildcat, so state): Wildcat - Stratigraphic - Potash

County: Navajo

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

Organization Report

Approximate date work will start: June, 2012

Bond status: On File

Amount: $50,000

Filing Fee of $25.00

Or attached

Attached X

Remarks

API 02-017-20077

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

Date 05/11/12

Mail completed form to:
Oil and Gas Program Administrator
Arizona Geological Survey
416 W. Congress, #103
Tucson, AZ 85701-1315

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 X  NO __________
5. If the answer to question four is no, have the interests of all owners been consolidated by communication 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>Passport Potash, Inc.</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Land Description</th>
<th>W 1/4, Sec. 7, T 16N, R 23E</th>
</tr>
</thead>
</table>

**CERTIFICATION**

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

Name: Joanne Blank
Position: President
Company: Passport Potash, Inc.
Date: 5/21/2012

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: 5/15/2012
Registered Land Surveyor: Gerald K. Wood
Certificate No. 1522290

**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 Depth</th>
<th>Sacks Cement</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.625&quot;</td>
<td>20.1</td>
<td>PWT</td>
<td></td>
<td></td>
<td>50' plug at fresh/salt interval</td>
<td>6-9 bags for surface casing</td>
<td>Driller supplied</td>
</tr>
<tr>
<td>4.5&quot;</td>
<td>11.8</td>
<td>HWT</td>
<td></td>
<td>1450' TD</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| E Zone        |

N 34° 42' 01.3" WGS 84
W 109° 37' 37.7" Elev 5504' NAVD 83
N 138 2670 65 Arie.
E 7618 72.62 E Zone

Gerald K. Wood
Eng. 12/12/2015