APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

NAME OF COMPANY OR OPERATOR
Passport Potash, Inc.

Address City State Phone Number
3346 W. Guadalupe Rd Apache Junction Arizona 480-288-6530

Drilling Contractor K & M Drilling

Address 2432 Private Drive, Camp Verde, Arizona 86322

DESCRIPTION OF WELL AND LEASE

<table>
<thead>
<tr>
<th>Well number</th>
<th>Elevation (ground)</th>
</tr>
</thead>
<tbody>
<tr>
<td>E</td>
<td>531'</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:

Number of acres in lease

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

640

0

If lease purchased with one or more wells drilled, from whom purchased.

Well location (give footage from section lines)
2197' FNL; 2237' FWL

Section - Township - Range or Block and Survey
S1 - T15N - 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

Approximate date work will start
November, 2012

Organization Report
On file X Or attached

Filing Fee of $25.00
Attatched X

Remarks

APRIL 02-017- 2009

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: President of the Passport Potash (company), 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

11/25/12

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

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION
Application to Drill or Re-enter
Form No. 3

(Complete Reverse Side)
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** X

5. If the answer to question four is no, have the interests of all owners been consolidated by communization agreement or otherwise? **YES** **NO** X. 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>Hopi Tribe</th>
</tr>
</thead>
</table>

**Land Description**

**Sec 1, T15N, R23E**

**CERTIFICATION**

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

**Name** Joshua D. Bleak

**Position** President

**Company** Passport Potash, Inc.

**Date** 11/5/2012

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** 11/5/2012

**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>6.625&quot; 4.5&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>11.8 lbs/ft</td>
<td>HWT</td>
<td></td>
<td></td>
<td>1450' TD</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>