APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL ⧫ 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>480-286-6530</td>
</tr>
</tbody>
</table>

Drilling Contractor
K & M Drilling

Address
2432 Private Drive, Camp Verde, Arizona 88322

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>Twin Buttes Ranch</td>
<td>U</td>
<td>5435'</td>
</tr>
</tbody>
</table>

Nearest distance from proposed location to property or lease line:
252 feet

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

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:

Well location (give footage from section lines)
252’ FSL; 2549’ FWL

Section - Township - Range or Block and Survey
T17N, R22E Sec. 13

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

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

County
Navajo

Distance in miles and direction from nearest town or post office
Approx. 15 miles SE of Holbrook

Proposed depth:
1450’

Rotary or cable tools
Rotary/Core

Organization Report

Approximate date work will start
Late March 2013

Bond status
On File

Amount
$50,000

Filing Fee of $25.00

On file

Or attached

Attached

Remarks

API 02-017-20097

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 3/25/13

Permit Number: 1141

Approval Date: 4-1-2013

Approved By

STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION

Application to Drill or Re-enter
File Two Copies

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  
5. If the answer to question four is no, have the interests of all owners been consolidated by comminutization 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>
<tbody>
<tr>
<td>Land Description</td>
<td>SE 1/4 SW 1/4 Sec. 13, T17N R22E</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: Joshua Bleak  
Position: President  
Company: Passport Potash, Inc.  
Date: 3/25/2013  

**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>1450 TD</td>
<td>50' plug at fresh/salt interval</td>
<td>6-9 bags for surface casing</td>
<td>Driller Supplied</td>
<td></td>
</tr>
<tr>
<td>11.8 lbs/ft</td>
<td>HWT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Registered Land Surveyor**

Gerald K. Wood  
Certificate No. 1522290  
Date Surveyed: 3/19/2013