APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL ☑  RE-ENTER OLD WELL □

NAME OF COMPANY OR OPERATOR

AMERICAN WEST POTASH

Address: 1401 17th St, Suite 1550  City: DENVER  State: CO  Phone Number: 990-9444

Drilling Contractor

MAJOR DRILLING

Address: 2200 S. 400 W., SALT LAKE CITY, UT 84120

DESCRIPTION OF WELL AND LEASE

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

PRIVATE

Well number

AWP 19

Elevation (ground)

5,702'

Nearest distance from proposed location to property or lease line:

N/A

feet

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

N/A

Number of acres in lease

640

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

N/A

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

N/A

Nearest town or post office

HOLBROOK BAY

37 MILES EAST OF HOLBROOK

Field and reservoir (if wildcat, so state)

APACHE COUNTY

Well location (give footage from section lines)

1989’ (from W Line 3655 T, from N Line)

Section - Township - Range or Block and Survey

SEC 11 T 17N R 25E

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

N/A

Distance in miles and direction from nearest town or post office

Proposed depth:

1500'

Rotary or cable tools

Organization Report

Filing Fee of $25.00

Amount

$50,000

On file

Or attached

Attached

Remarks

Potash Exploratory Well / Stratigraphic Test

API 02-001-20460

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: PRESIDENT AND CEO 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

J. B. Baker

Date

6/30/13

Permit Number: 1150

Approval Date: 7-31-2013

Approved By: S.R.

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

(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 X 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:

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**Owner:** PRIVATE

**Land Description:** NE 44 S 14 T 11 N R 25 E

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**CERTIFICATION**

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

Name

Position

Company

Date

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**PROPOSED CASING PROGRAM**

<table>
<thead>
<tr>
<th>Size of Casing</th>
<th>Weight</th>
<th>Grades &amp; Type</th>
<th>Top</th>
<th>Bottom</th>
<th>Cementing Depths</th>
<th>Sack Cement</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>8''</td>
<td>22.4</td>
<td>A115 lb</td>
<td>0</td>
<td>20'</td>
<td>0'-20' 3/8 hole plg</td>
<td>N/A</td>
<td>3/8 hole big</td>
</tr>
<tr>
<td>5.5''</td>
<td>13.7</td>
<td>PWI</td>
<td>0</td>
<td>1200'</td>
<td>1000'-1200'</td>
<td>20</td>
<td>19401</td>
</tr>
</tbody>
</table>

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**EXPIRED:** 12/2013

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**Gerald K. Wood**

Registered Land Surveyor

Certificate No. 15 22290