**Application for Permit to Drill or Re-enter**

**Name of Company or Operator**

**American West Potash**

**Address**

1401 17th St., Suite 1500

**City**

Denver

**State**

CO 80202

**Phone Number**

990-8444

**Application to Drill**

**Drilling Contractor**

Boart Longyear

**Address**

7773 W. Seldon Lane, Peoria AZ 85345

**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 (round)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PRIVATE</strong></td>
<td>AWP 36</td>
<td><strong>5761'</strong></td>
</tr>
</tbody>
</table>

**Nearest distance from proposed location to property or lease line:**

| **N/A** | **N/A** |

**Number of acres in lease**

| **640** |

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

| **N/A** |

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

| **N/A** |

**Field and reservoir (if wildcat, so state)**

**Holbrook Basin**

**County**

Apache County

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

37 miles east of Holbrook

**Proposed depth:**

1500'

**Bond status**

**ON FILE**

**Organization Report**

**Foreign**

**Amount**

150,000

**Organization Report**

**On file**

**Approximate date work will start**

7/30/13

**Remarks**

Potash Exploratory Well

**API 02-001-20466**

**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**

James G. Baer

6/30/13

**Mail completed form to:**

Oil and Gas Program Administrator
Arizona Geological Survey
416 W. Congress, #100
Tucson, AZ 85701-1315

**Form No. 3**

**STATE OF ARIZONA**

**OIL & GAS CONSERVATION COMMISSION**

Application to Drill or Re-enter

File Two Copies

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 ___ NO ___

5. If the answer to question four is no, have the interests of all owners been consolidated by communitization 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>SE 1/4 NW 1/4 Sec. 35, T17N, 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 it is true and correct to the best of my knowledge and belief.

Registered Land Surveyor
Certificate No.

Date Surveyed
1/23/2013

Gerald K. Wood

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>5.5&quot;</td>
<td>20.1</td>
<td>PwT</td>
<td>0'</td>
<td>40'</td>
<td>6 - 40' casing pulled upon completion</td>
<td>5.5</td>
<td>Class A</td>
</tr>
<tr>
<td>4.5&quot;</td>
<td>11.8</td>
<td>HuT</td>
<td>0'</td>
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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 1530
City DENVER
State CO 80202
Phone Number 990-8494

Drilling Contractor
BOAT LONGYEAR

Address
773 W. SEDON LANE, PEORIA AZ 85345

DESCRIPTION OF WELL AND LEASE

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Nearest distance from proposed location to property or lease line: N/A foot

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

Number of acres in lease: 640

Number of wells on lease, including this well, completed or drilling to this reservoir: N/A

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

Name
N/A

Address
N/A

Field and reservoir (if wildcat, so state)
HOLBROOK BASIN

County
APACHE COUNTY

Proposed depth: 1500'

Rotary or cable tools

Approximate date work will start: 7/30/13

Bond status
ON FILE

Organization Report

Filing Fee of $25.00

Remarks
Potash Exploratory Well
API 02-001-20466

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
James J. Baker

Date
6/30/13

Permit Number: 1156

Approval Date: 7-31-2013

Approved By: SC

STATE OF ARIZONA

OIL & GAS CONSERVATION COMMISSION
Application to Drill or Re-enter
File Two Copies

Form No. 3

(Complete Reverse Side)
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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.

Gerald K. Wood  
Date Surveyed: 12/17/2013  
Registered Land Surveyor  
Certificate No. 15-22290

PROPOSED CASING PROGRAM

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