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 80207 Phone Number: 990-840-4414

Drilling Contractor: MAJOR DRILLING

Address: 2200 S 4000 W, SALT LAKE CITY, UT 84120

DESCRIPTION OF WELL AND LEASE

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

PRIVATE

Well number: AWP 41 Elevation (ground): 5686

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 feet

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:

Name: N/A Address: N/A

Well location (give footage from section line):

433' from E.line; 933' from S.line

Section - Township - Range or Block and Survey:

SEC 9 T18N R26E

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

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: 1400' Rotary or cable tools

Approximate date work will start: 7/31/2013

Bond status: ON FILE Organization Report

Amount: $50,000 On file Or attached (Attached)

Remarks:

Potash EXPLORATORY WELL

API 02-001-20471

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: Yasmin A. Bader

Date: 6/30/13

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

Permit Number:

1161

Approval Date:

7-31-2013

Approved By:

SC Raas

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.

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 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 1/2 SE 1/4 Sec. 9, T18N, 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

**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>8&quot;</td>
<td>22.4</td>
<td>API 51b</td>
<td>0</td>
<td>20'</td>
<td>6,000' - 90' PK + 20'</td>
<td>N/A</td>
<td>31/2</td>
</tr>
<tr>
<td>5.5&quot;</td>
<td>13.7</td>
<td>Pwt</td>
<td>0</td>
<td>1200'</td>
<td>1000' - 1200'</td>
<td>20</td>
<td></td>
</tr>
</tbody>
</table>

**PLT**

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