APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

NAME OF COMPANY OR OPERATOR

AMERICAN WEST POTASH

Address 1401 17th St, Suite 1550 City DENVER State CO Phone Number 303-844-8447

Drilling Contractor MAJOR DRILLING

Address 2260 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 42 Elevation (ground) 5553'

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 or drilling to this reservoir:

N/A

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

N/A

Well location (give footage from section lines)

1820.5' from W. line; 11703.3' from N. line

Section - Township - Range or Block and Survey SEC 17, T17N R.25E

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

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: 1300'

Rotary or cable tools

Approach date work will start 7/30/13

Organization Report

On file

Filing Fee of $25.00

Amount $50,000

Or attached Attached

Remarks

Potash Exploratory Well

API 02-001-20472

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

Date 6/30/13

Permit Number: 1162

Approval Date: 7-31-2013

Approved By: Sara J.

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 communityization 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:

### Owner

<table>
<thead>
<tr>
<th>Land Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>SE 1/4 NW 1/4 Sec. 17, T17N, R25E</td>
</tr>
</tbody>
</table>

### CERTIFICATION

I hereby certify that the information shown on the plat 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 the same is true and correct to the best of my knowledge and belief.

Gerald K. Wood

Date Surveyed 6/06/2013

Registered Land Surveyor

Gerald K. Wood

Certificate No. L522290

### PROPOSED CASING PROGRAM

<table>
<thead>
<tr>
<th>Size of Casing</th>
<th>Weight</th>
<th>Grade &amp; Type</th>
<th>Top Depth</th>
<th>Bottom Depth</th>
<th>Cementing Depths</th>
<th>Sacks Cement</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>8''</td>
<td>22.9</td>
<td>API 5 lb</td>
<td>0</td>
<td>20'</td>
<td>0-20' 3/8 hole</td>
<td>N/A</td>
<td>3/8 hole Plg</td>
</tr>
<tr>
<td>5.5''</td>
<td>13.7</td>
<td>PWT</td>
<td>0</td>
<td>1200'</td>
<td>1000'-1200'</td>
<td>20</td>
<td>Portland Type II</td>
</tr>
</tbody>
</table>