APPLICATION FOR PERMIT TO DRILL OR REENTER
APPLICATION TO DRILL ☑ REENTER OLD WELL ☐

NAME OF COMPANY OR OPERATOR

AMERICAN WEST POTASH

ADDRESS 1401 17TH ST, SUITE 1510 CITY DENVER STATE CO PHONE NUMBER 990-8444

Drilling Contractor

MAIN DRILLING

ADDRESS 2260 S. 1000 W, SALT LAKE CITY, UT 84120

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>PRIVATE</td>
<td>AWP 43</td>
<td>5,976</td>
</tr>
</tbody>
</table>

Nearest distance from proposed location to property or lease line:

N/A feet Distance from proposed location to nearest drilled, 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:

N/A

Well location (give footage from section line):

<table>
<thead>
<tr>
<th>Section - Township - Range or Block and Survey</th>
<th>Dedication per A.A.C. R12-7-104(A)(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEC 11, T16N R26E</td>
<td>N/A</td>
</tr>
</tbody>
</table>

State and reservoir (if wildcard, so stated)

HOLBROOK BASIN

Distance in miles and direction from nearest town or post office

37 MILES EAST OF HOLBROOK

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

Amount

$50,000

On file

Or attached

Attached

Remarks

Potash Exploratory Well

API 02-001-20473

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

June 30, 2013

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 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:

<table>
<thead>
<tr>
<th>Owner</th>
<th>Land Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SW 1/4 NW 1/4, Sec. 11, 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

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 7/23/2013
Registered Land Surveyor
Certificate No. LS 22280

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>AIES 1b</td>
<td>0</td>
<td>20'</td>
<td>0-20' 3/8 holeplug</td>
<td>N/A</td>
<td>3/8 holeplug</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></td>
<td>Type II</td>
</tr>
</tbody>
</table>

[Diagram of survey results and well location]