APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL [X] RE-ENTER OLD WELL [ ]

NAME OF COMPANY OR OPERATOR

AMERICAN WEST POTASH

Address: 1401 17th St, Suite 1550 City: DENVER State: CO Phone Number: 920-

Drilling Contractor

BOART LONGYEAR

Address: 7773 W. Seldon Lane, PEORIA AZ, 85345

DESCRIPTION OF WELL AND LEASE

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

PRIVATE

Well number: PGRX-O1 Elevation (ground): 5843'

Nearest distance from proposed location to properly 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

Address

N/A

Well location (give footage from section lines)

1135' from W line, 1531' from N line

Section - Township - Range or Block and Survey

SEC 9, T17N R26E

County

APACHE COUNTY

Distance in miles and direction from nearest town or post office

37 MILES EAST OF HOLBROOK

Field and reservoir (if wildcat, so state)

HOLBROOK BASIN

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

N/A

Proposed depth: 1500'

Rotary or cable tools

Approximate date work will start

Organizations Report

Filing Fee of $25.00

Amber

On file Or attached Attached

Remarks

POTASH EXPLORATORY WELL / STRATIGRAPHIC TEST

API 02-001-20480

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

8/15/13

Date

Permit Number: 1170

Approval Date: 8-23-2013

Approved By: S. R. Raney

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.
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>NW 1/4 NW 1/4 sec. 7, T17N, R26E</td>
</tr>
</tbody>
</table>

**CERTIFICATION**

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Company</th>
</tr>
</thead>
</table>

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.

<table>
<thead>
<tr>
<th>Gerald K. Wood</th>
<th>Date Surveyed</th>
<th>Registered Land Surveyor</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8/19/2013</td>
<td></td>
</tr>
</tbody>
</table>

**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>0' - 40'</td>
<td>5.5</td>
<td>CLASS A</td>
</tr>
<tr>
<td>4.5&quot;</td>
<td>11.8</td>
<td>HWT</td>
<td>0'</td>
<td>1100'</td>
<td>casing pulled upon completion</td>
<td>φ</td>
<td></td>
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**APPLICATION FOR PERMIT TO DRILL OR RE-ENTER**

**APPLICATION TO DRILL X**  
**RE-ENTER OLD WELL □**

---

**NAME OF COMPANY OR OPERATOR**

**AMERICAN WEST POTASH**

**Address** 1401 17th St, Suite 1830  
**City** DENVER  
**State** CO 80202  
**Phone Number** 996-8444

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**Drilling Contractor**

**BOART LONGYEAR**

**Address** 7773 W, SEDON LANE, PEORIA AZ. 85345

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**DESCRIPTION OF WELL AND LEASE**

- **Federal, State or Indian Lease Number, or, if fee lease, name of lessor**: PRIVATE
- **Well number**: PGRY-01  
- **Elevation (ground)**: 5844'

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**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

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**Number of acres in lease**: 640  
**Number of wells on lease, including this well, completed in or drilling to this reservoir:** N/A

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**Well location (give footage from section lines)**

- **63 1/2 from W line, 53 1/2 from N line**
- **SEC. 9, T17N R26E**
- **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

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**Proposed depth:** 1500'  
**Redev or cable tools**

**Bond status**: ON FILE  
**Organization Report**

**Amount**: $50,000  
**On file**  
**Or attached**: Attached

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**Remarks**

**Potash Exploratory Well**  
**API**: 02-001-20480  

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**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

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**Permit Number**: 1170  
**Approval Date**: 7-31-2013  
**Approved By**: SL RANZ

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

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**STATE OF ARIZONA**  
**OIL & GAS CONSERVATION COMMISSION**  
Application to Drill or Re-enter  
Form No. 3  
(Complete Reverse Side)  
5/98
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![Diagram of plat showing location of well]  

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.

Date Surveyed: 6/14/2013
Registered Land Surveyor: Gerald K. Wood
Certificate No.: 15822.90

PROPOSED CASING PROGRAM

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