

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

NAME OF COMPANY OR OPERATOR
Passport Potash, Inc.

Address City State Phone Number
3346 W. Guadalupe Rd Apache Junction Arizona 480-288-6530

Drilling Contractor
K & M Drilling

Address
2432 Private Drive, Camp Verde, Arizona 88322

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor Joint Exploration Agreement w/ the Hopi Tribe	Well number R	Elevation (ground) 5502'
Nearest distance from proposed location to property or lease line: 556 feet	Distance from proposed location to nearest drilling, completed or applied-for well on the same lease: feet	
Number of acres in lease 640	Number of wells on lease, including this well, completed in or drilling to this reservoir: 0	

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

Well location (give footage from section lines) Section - Township - Range or Block and Survey Dedication per A.A.C. R12-7-104(A)(3)
556' FNL; 2341' FWL T16N, R24E Sec. 19

Field and reservoir (if wildcat, so state) County
Wildcat-Stratigraphic-Potash Apache

Distance in miles and direction from nearest town or post office
Approx. 15 miles SE of Holbrook

Proposed depth: Rotary or cable tools Approximate date work will start
1450' Rotary/Core August 2013

Bond status On File Organization Report Filing Fee of \$25.00
Amount **\$50,000** On file Or attached Attached

Remarks

API 02-001-20484

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: President of the Passport Potash, Inc. (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]

Signature
Date 7/22/13

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

Permit Number: 1181
Approval Date: 8-1-2013
Approved By: SL Rainey

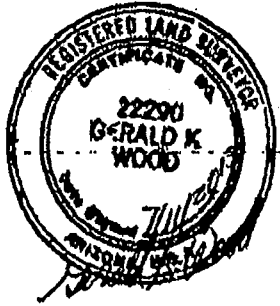

**STATE OF ARIZONA
OIL & GAS CONSERVATION COMMISSION**

Application to Drill or Re-enter
File Two Copies

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

- Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
- A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
- ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
- Is the operator the only owner in the dedicated acreage outlined on the plat below? YES NO X
- If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise? YES NO ... X If answer is yes, give type of consolidation
- If the answer to question four is no, list all the owners and their respective interests below:

Owner: Passport Potash, Inc. / Hopi Tribe	Land Description: NE 1/4 NW 1/4 Sec. 19, T16N, R24E
<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p style="text-align: center;">556.15</p> <p style="text-align: center;">2341.5'</p> <p style="text-align: center;">R'</p> </div> <p style="text-align: center; font-size: 1.2em;">T16N R24E</p> <p style="text-align: center;">Sec. 19</p> <p>N 34° 46' 38.65" WGS 84 W 109° 50' 28.10" WGS 84</p> <p>N 1,374,440.663' Az E zone E 797,748.283' SPOB3</p> <p>Elev 5502 NAVD 88</p> <div style="text-align: center; margin-top: 20px;">  </div>	<p style="text-align: center;">CERTIFICATION</p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <hr/> <p>Name: <u>Josh Break</u></p> <p>Position: <u>Pres</u></p> <p>Company: <u>PPI</u></p> <p>Date: <u>7/22/13</u></p> <hr/> <p style="text-align: center;"><i>[Signature]</i></p> <p>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.</p> <p style="text-align: center;"><u>Gerald K Wood</u></p> <p>Date Surveyed: <u>7/07/2013</u></p> <p>Registered Land Surveyor</p> <p style="text-align: center;"><u>Gerald K. Wood</u></p> <p>Certificate No. <u>LS 22290</u></p>
	

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type
6.625"	20.1	PWT		1450' TD	50' plug at fresh/salt interval	6-9 bags for surface casing	Driller supplied
4.5"	11.8	HWT					