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 80202, Phone Number: 990-8444

Drilling Contractor

BOART LONGYEAR

Address: 7713 W. Sedon 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
AWP 40 xx

Elevation (ground)
6087

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 lines)
375.5' from S line, 940.3' from E line

Section - Township - Range or Block and Survey
SEC 13, T1B N R26E

Dedication per A.R.C.R. 12-7-104(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:
1600'

Bond status
ON FILE

Organization Report
On file

Amount
$50,000

Or attached
Attached

Remarks
POTASH EXPLORATORY WELL / STRATIGRAPHIC TEST

AP1 02-001-20487

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

9/25/13

Date

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

Permit Number:
1185

Approval Date:
9-30-2013

Approved By:
SL Ramey

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

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

Form No. 3

(Covert 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>SW1/4 SE1/4 Sec 13, 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.

[Signature]

Date Surveyed: 7/24/2013

Registered Land Surveyor: ______________________

Certificate No: LS 22290

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>Socks 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></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>