APPLICATION FOR PERMIT TO DRILL OR RE-ENTER
APPLICATION TO DRILL  X
RE-ENTER OLD WELL  □

NAME OF COMPANY OR OPERATOR
Southwest Exploration / Passport Potash

<table>
<thead>
<tr>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Phone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>3266 W. Galveston Dr. #101</td>
<td>Apache Junction</td>
<td>Arizona</td>
<td>480-288-6530</td>
</tr>
</tbody>
</table>

Drilling Contractor
Boart Longyear 7773 W. Seldon Lane Peoria, AZ 85345

Address

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>Option to purchase the Twin Buttes Ranch</td>
<td>TBR-2010 #3</td>
<td>5566'</td>
</tr>
</tbody>
</table>

Nearest distance from proposed location to property or lease line:

2650.4' FWL

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

N/A

Number of acres in lease

640 (approx.)

Number of wells on lease, including this well, completed in or drilling to this reservoir:

1

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

Name

Address

N/A

Well location (give footage from section lines)

2735.9 FNL + 2650.4 FWL

Section - Township - Range or Block and Survey

S14 - T17N - R23E

Field and reservoir (if wildcat, so state)

Wildcat - Stratigraphic - Potash

County

Navejo

Distance in miles and direction from nearest town or post office

Approx. 15 miles SE of Holbrook

Proposed depth:

1600'

Bond status

On File

Bond amount

$25,000

Remarks

API # 02-017-2,0030

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: Agent

of the Southwest Exploration / Passport 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 28, 2010

Date

Permit Number: 994

Approval Date: 7-7-2010

Approved By: GC Raiz

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

Form No. 3

(Complete Reverse Side) 5/96
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 or 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>Southwest Exploration / Passport Potash</th>
<th>Land Description</th>
<th>S14 - T17N - R23E</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

**CERTIFICATION**

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

**Name**: Joshua Bleak

**Position**: Agent

**Company**: Southwest / Passport

**Date**: June 28, 2010

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**: 6/9/10

**Registered Land Surveyor**: Gerald K. Wood

**Certificate No.**: 15 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 Depth</th>
<th>Sacks Cement</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.625&quot;</td>
<td>20.1</td>
<td>PWT</td>
<td>5566'</td>
<td>1600' TD</td>
<td>50' Plug at Fresh / Salt Interval</td>
<td>6-9 Bags for Surface Casing</td>
<td>Driller Supplied</td>
</tr>
<tr>
<td>4.5&quot;</td>
<td>14.0</td>
<td>HWT</td>
<td></td>
<td></td>
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