Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD HOBBS OCD
AUG 09 2012
RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – *Other instructions on page 2.*

1 Type of Well: ☑ Oil Well ☐ Gas Well ☐ Other	5. Lease Serial No. NMNM-108973
	6. If Indian, Allottee or Tribe Name N/A
	7. If Unit of CA/Agreement, Name and/or No. NMNM-128803
	8 Well Name and No. Harrier 35 Federal Com 1H
2. Name of Operator VPR Operating LLC	9. API Well No 30-025-40572
3a Address 1406 Camp Craft Road, Suite 106, Austin, TX 78746 / 3b. Phone No. *(include area code)* (512) 327-8776	10 Field and Pool or Exploratory Area Wildcat; Bone Spring
4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)* 1980' FNL & 1500' FEL SEC. 35, T 25 S , R 32 E , NMPM	11. Country or Parish, State Lea County, NM

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☑ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☑ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13 Describe Proposed or Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA Required subsequent reports must be filed within 30 days following completion of the involved operations If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Will change target zone and casing as described on the attachments.

See comments in procedure

cc: Maxey, Pullen, Tibbitts

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)* BRIAN WOOD — Title CONSULTANT (505 466-8120)

Signature — Date 08/06/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED
AUG 6 2012
WESLEY W. INGRAM
PETROLEUM ENGINEER

Approved by — Title — Date

Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon — Office

AUG 10 2012

Title 18 U S C Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

VPR Operating LLC

Harrier 35 Federal Com 1H

Sec 35 T25S R32E

Lea County, NM

Amended Drilling Plan

August 5, 2012

Total depth of the 8 ¾" pilot hole of 12,300' was reached 7/31/2012. Based on results of the pilot hole, rather than drill a lateral in the Avalon section of the Bone Spring, VPR proposes to drill a lateral in the Red Hills member of the Third Bone Spring. Verbal approval for changing the cementing of the kick off plug was received from Wesley Ingram on 8/3/2012 and a 500 sx Class H slurry of 17.8 ppg density and 0.94 cu ft/sx yield was set from TD @ 12,300' and later tagged strictly for location purposes at 11,260'. Current WOC time has been greater than 24 hours. The cement plug will be dressed off to a KOP of 11,444' where a 10°/100' curve will be initiated at an azimuth of 270° and landed at 12,407' md (12,065' tvd) at an inclination of 91.2°. A lateral will then be drilled to a TD of 17,925' md (11,950' tvd @ 6,101' vs). The directional plan is attached.

Because of the change in the horizontal program the operator also proposes to utilize the alternate casing program in the APD, with changes to the 7" and 4 ½" casing and cementing program. The 7" casing will be set at the EOC back to surface with a DV tool set at 8400'. The 4 ½" will be a liner set at the EOL back to 300' above the KOP.

Hole Size	Csg OD	Weight/Ft	Grade	Connection	Csg Set Depth (ft)	Burst SF	Coll SF	Tens SF
8.75"	7"	29#	P110	Buttress	Surf to 12,407	1.25	1.10	1.65
6"	4 ½"	11.6#	P110	Buttress	12,100 – 17,925	1.25	1.10	1.65

The 7" casing 1st stage will be cemented with ~~500~~ 520 sx PVL plus 1.3% PF44, 5% PF174, 0.5% PF606, 0.8% PF13, and 0.2% PF153 (Density 13.0 ppg, Yield 1.48). The 2nd stage lead slurry is 250 sx 35/65 P/H plus 5% PF44, 6% PF20, 2 pps PF42, 0.4% PF13, 0.125 pps PF29, and 0.25 pps PF46 (Density 12.6 pps, Yield 2.06) and followed by tail 200 sx PVL plus 1.3% PF44, 5% PF174, 0.5% PF606, 0.8% PF13, 0.2% PF153, 0.25 pps PF46 (Density 13.0 ppg, Yield 1.48). TOC estimated at a minimum of 300' tie back into the 9 5/8" intermediate. All volumes include 25% excess.

The 4 ½" liner will be cemented with 550 sx PVL plus 1.3% PF44, 5% PF174, 0.5% PF606, 0.8% PF13, and 0.2% PF153 (Density 13.0 ppg, Yield 1.48). TOC calculated to the top of the liner. All volumes include 25% excess.

If cement does not circulate on first stage, contact BLM before proceeding. Operator shall provide verification method for second stage TOC and TOC on liner.

VPR Operating, LLC

Lea County, NM
Harrier "35" Fed. Com.
1H
Harrier 35 #1H

Plan: Plan No.4

ProDirectional X&Y Report

05 August, 2012

PRODIRECTIONAL

Professional Directional

ProDirectional X&Y Report

PRODIRECTIONAL

Company:	VPR Operating, LLC	Local Co-ordinate Reference:	Well 1H
Project:	Lea County, NM	TVD Reference:	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Site:	Harrier "35" Fed Com	MD Reference:	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Well:	1H	North Reference:	Grid
Wellbore:	Harrier 35 #1H	Survey Calculation Method:	Minimum Curvature
Design:	Plan No 4	Database:	Well_Planner1

Project Lea County, NM

Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site Harrier "35" Fed Com

Site Position:		Northing:	396,726 67 usft	Latitude:	32° 5' 19 661 N
From:	Map	Easting:	755,434 67 usft	Longitude:	103° 38' 31 240 W
Position Uncertainty:	0 0 usft	Slot Radius:	13-3/16 "	Grid Convergence:	0 37 °

Well 1H

Well Position	+N/-S	0 0 usft	Northing:	396,726 67 usft	Latitude:	32° 5' 19 661 N
	+E/-W	0 0 usft	Easting:	755,434 67 usft	Longitude:	103° 38' 31 240 W
Position Uncertainty		0 0 usft	Wellhead Elevation:	usft	Ground Level:	3,363 0 usft

Wellbore Harrier 35 #1H

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	8/3/2012	7 47	60 02	48,414

Design Plan No 4

Audit Notes:

Version:		Phase:	PLAN	Tie On Depth:	11,400 0

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0 0	0 0	0 0	269 57

Company:	VPR Operating, LLC	Local Co-ordinate Reference:	Well 1H
Project:	Lea County, NM	TVD Reference:	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Site:	Harrier "35" Fed Com	MD Reference:	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Well:	1H	North Reference:	Grid
Wellbore:	Harrier 35 #1H	Survey Calculation Method:	Minimum Curvature
Design:	Plan No 4	Database:	Well_Planner1

Survey Tool Program Date 8/5/2012

From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description
100 0	4,794 3	Gyrodata (Harrier 35 #1H)	NS-GYRO-MS	North sensing gyrocompassing m/s
4,800 0	11,400 0	Schlumberger (Harrier 35 #1H)	MWD	MWD - Standard
11,400 0	17,924 9	Plan No 4 (Harrier 35 #1H)	MWD	MWD - Standard

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	V Sec (usft)	N/S (usft)	E/W (usft)	TVDSS (usft)	Northing (usft)	Easting (usft)
11,400 0	1.89	3.74	11,397 4	4 1	-25 5	-3 9	8,016 4	396,701.16	755,430 78
11,444 1	5 02	64 21	11,441 4	2 3	-23 9	-2 1	8,060 4	396,702 72	755,432 56
11,450 0	5 02	64 21	11,447 3	1 8	-23 7	-1 6	8,066 3	396,702 95	755,433 03
11,500 0	2 21	347.39	11,497.2	0 0	-21 8	0.1	8,116 2	396,704 84	755,434 79
11,600 0	10 69	281 14	11,596 6	9 6	-18 1	-9 4	8,215 6	396,708 52	755,425 25
11,700 0	20 58	275 37	11,692 8	36 2	-14 7	-36 1	8,311 8	396,711 97	755,398 59
11,800 0	30 54	273 27	11,782 9	79 1	-11 6	-79 0	8,401 9	396,715 07	755,355 62
11,900 0	40 52	272 14	11,864 2	137 1	-8 9	-137 0	8,483 2	396,717 74	755,297 65
12,000 0	50 50	271 39	11,934 2	208 3	-6 8	-208 2	8,553 2	396,719 90	755,226 44
12,100 0	60 49	270 83	11,990 7	290 5	-5 2	-290.5	8,609 7	396,721 47	755,144.15
12,200 0	70 48	270 38	12,032 2	381 4	-4 3	-381 4	8,651 2	396,722 41	755,053 28
12,284 7	78 95	270 03	12,054 5	463 1	-4 0	-463 0	8,673 5	396,722 70	754,971 63
Target Line 12,065' TVD @ 0' VS									
12,300 0	80 47	269 97	12,057 2	478 1	-4 0	-478 1	8,676 2	396,722 70	754,956 60
12,400 0	90 47	269 59	12,065 1	577 6	-4 3	-577.6	8,684 1	396,722 32	754,857 04
12,407 3	91 19	269 57	12,065 0	584 9	-4 4	-584 9	8,684 0	396,722 27	754,849 77
LP (Harrier 35 #1H)									
12,500 0	91.19	269 57	12,063 1	677 6	-5 1	-677.6	8,682 1	396,721 57	754,757 07
12,600 0	91 19	269 57	12,061 0	777 6	-5.9	-777 6	8,680 0	396,720 81	754,657.09
12,700 0	91 19	269 57	12,058 9	877 6	-6 6	-877 6	8,677.9	396,720 05	754,557 11
12,800 0	91.19	269 57	12,056 8	977 6	-7 4	-977 5	8,675.8	396,719 29	754,457 14

Company:	VPR Operating, LLC	**Local Co-ordinate Reference:**	Well 1H
Project:	Lea County, NM	**TVD Reference:**	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Site:	Harrier "35" Fed Com	**MD Reference:**	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Well:	1H	**North Reference:**	Grid
Wellbore:	Harrier 35 #1H	**Survey Calculation Method:**	Minimum Curvature
Design:	Plan No 4	**Database:**	Well_Planner1

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	V. Sec (usft)	N/S (usft)	E/W (usft)	TVDSS (usft)	Northing (usft)	Easting (usft)
12,900 0	91 19	269 57	12,054 7	1,077 5	-8 1	-1,077.5	8,673 7	396,718 53	754,357 16
13,000 0	91 19	269 57	12,052 6	1,177 5	-8 9	-1,177 5	8,671.6	396,717 78	754,257 19
13,100 0	91 19	269 57	12,050 6	1,277 5	-9 7	-1,277 5	8,669.6	396,717 02	754,157 21
13,200 0	91 19	269 57	12,048 5	1,377 5	-10 4	-1,377 4	8,667 5	396,716 26	754,057 24
13,300 0	91 19	269 57	12,046 4	1,477 4	-11 2	-1,477 4	8,665 4	396,715 50	753,957 26
13,400 0	91.19	269 57	12,044 3	1,577 4	-11 9	-1,577 4	8,663 3	396,714 74	753,857 29
13,500 0	91 19	269 57	12,042 2	1,677 4	-12 7	-1,677.4	8,661 2	396,713 98	753,757 31
13,600 0	91 19	269 57	12,040 1	1,777 4	-13 4	-1,777 3	8,659 1	396,713 23	753,657 34
13,700 0	91 19	269 57	12,038 1	1,877 4	-14 2	-1,877 3	8,657 1	396,712 47	753,557 36
13,800 0	91 19	269 57	12,036 0	1,977 3	-15 0	-1,977 3	8,655 0	396,711 71	753,457 39
13,900.0	91 19	269 57	12,033 9	2,077 3	-15 7	-2,077 3	8,652 9	396,710 95	753,357 41
14,000 0	91 19	269 57	12,031 8	2,177 3	-16 5	-2,177 2	8,650 8	396,710 19	753,257 43
14,100 0	91 19	269 57	12,029 7	2,277 3	-17 2	-2,277 2	8,648 7	396,709 44	753,157 46
14,200 0	91 19	269 57	12,027 6	2,377 3	-18 0	-2,377 2	8,646 6	396,708 68	753,057 48
14,300 0	91 19	269 57	12,025 6	2,477 2	-18 7	-2,477 2	8,644 6	396,707 92	752,957 51
14,400 0	91 19	269 57	12,023 5	2,577 2	-19 5	-2,577 1	8,642 5	396,707 16	752,857 53
14,500 0	91 19	269 57	12,021 4	2,677 2	-20 3	-2,677 1	8,640 4	396,706 40	752,757 56
14,600 0	91 19	269 57	12,019 3	2,777 2	-21 0	-2,777 1	8,638 3	396,705 65	752,657 58
14,700.0	91 19	269 57	12,017 2	2,877 1	-21 8	-2,877 1	8,636 2	396,704 89	752,557 61
14,800 0	91 19	269 57	12,015 1	2,977 1	-22 5	-2,977 0	8,634 1	396,704 13	752,457 63
14,900 0	91 19	269 57	12,013 0	3,077 1	-23 3	-3,077 0	8,632 0	396,703 37	752,357 66
15,000 0	91 19	269 57	12,011 0	3,177 1	-24.1	-3,177 0	8,630 0	396,702 61	752,257 68
15,100.0	91 19	269 57	12,008 9	3,277 1	-24 8	-3,277 0	8,627 9	396,701 85	752,157 70
15,200 0	91 19	269 57	12,006 8	3,377 0	-25 6	-3,376 9	8,625 8	396,701 10	752,057 73
15,300 0	91 19	269 57	12,004 7	3,477 0	-26 3	-3,476 9	8,623 7	396,700 34	751,957 75
15,400 0	91 19	269 57	12,002 6	3,577 0	-27 1	-3,576 9	8,621 6	396,699 58	751,857 78
15,500 0	91 19	269 57	12,000 5	3,677 0	-27 8	-3,676 9	8,619 5	396,698 82	751,757 80

Company:	VPR Operating, LLC	**Local Co-ordinate Reference:**	Well 1H
Project:	Lea County, NM	**TVD Reference:**	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Site:	Harrier "35" Fed Com	**MD Reference:**	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Well:	1H	**North Reference:**	Grid
Wellbore:	Harrier 35 #1H	**Survey Calculation Method:**	Minimum Curvature
Design:	Plan No 4	**Database:**	Well_Planner1

Planned Survey

MD (usft)	Inc (°)	Azi (azimuth) (°)	TVD (usft)	V. Sec (usft)	N/S (usft)	E/W (usft)	TVDSS (usft)	Northing (usft)	Easting (usft)
15,600 0	91 19	269 57	11,998 5	3,776 9	-28 6	-3,776 8	8,617 5	396,698 06	751,657 83
15,700 0	91 19	269 57	11,996 4	3,876 9	-29 4	-3,876.8	8,615 4	396,697 31	751,557 85
15,800 0	91 19	269 57	11,994 3	3,976 9	-30 1	-3,976 8	8,613 3	396,696.55	751,457 88
15,900 0	91 19	269 57	11,992 2	4,076 9	-30 9	-4,076 8	8,611 2	396,695 79	751,357 90
16,000 0	91 19	269 57	11,990.1	4,176 9	-31 6	-4,176 7	8,609 1	396,695 03	751,257 93
16,100 0	91 19	269 57	11,988 0	4,276 8	-32 4	-4,276 7	8,607 0	396,694 27	751,157 95
16,200 0	91 19	269 57	11,986.0	4,376 8	-33 2	-4,376 7	8,605 0	396,693 52	751,057.98
16,300 0	91 19	269 57	11,983.9	4,476 8	-33 9	-4,476 7	8,602 9	396,692 76	750,958 00
16,400 0	91 19	269 57	11,981 8	4,576 8	-34 7	-4,576 6	8,600 8	396,692 00	750,858 02
16,500 0	91 19	269 57	11,979 7	4,676 8	-35 4	-4,676 6	8,598 7	396,691 24	750,758 05
16,600 0	91 19	269 57	11,977 6	4,776 7	-36 2	-4,776 6	8,596 6	396,690 48	750,658 07
16,700 0	91 19	269 57	11,975 5	4,876 7	-36 9	-4,876 6	8,594 5	396,689 72	750,558 10
16,800 0	91 19	269 57	11,973 4	4,976 7	-37 7	-4,976 5	8,592 4	396,688 97	750,458 12
16,900 0	91 19	269.57	11,971 4	5,076 7	-38 5	-5,076 5	8,590 4	396,688 21	750,358 15
17,000 0	91 19	269 57	11,969 3	5,176 6	-39 2	-5,176 5	8,588 3	396,687 45	750,258.17
17,100 0	91 19	269 57	11,967 2	5,276 6	-40 0	-5,276 5	8,586 2	396,686 69	750,158 20
17,200 0	91 19	269 57	11,965 1	5,376 6	-40 7	-5,376 4	8,584 1	396,685 93	750,058 22
17,300 0	91 19	269 57	11,963 0	5,476 6	-41 5	-5,476 4	8,582 0	396,685 18	749,958 25
17,400 0	91 19	269 57	11,960 9	5,576 6	-42 3	-5,576 4	8,579 9	396,684 42	749,858 27
17,500 0	91 19	269 57	11,958 9	5,676 5	-43 0	-5,676 4	8,577 9	396,683 66	749,758 30
17,600 0	91 19	269 57	11,956 8	5,776 5	-43 8	-5,776 3	8,575 8	396,682 90	749,658 32
17,700 0	91 19	269 57	11,954 7	5,876 5	-44 5	-5,876 3	8,573 7	396,682 14	749,558 34
17,800 0	91 19	269 57	11,952.6	5,976.5	-45 3	-5,976 3	8,571 6	396,681 39	749,458.37
17,900 0	91 19	269 57	11,950 5	6,076 4	-46 0	-6,076 3	8,569 5	396,680 63	749,358 39
17,924 9	91 19	269 57	11,950 0	6,101 4	-46 2	-6,101 2	8,569 0	396,680 44	749,333 49
PBHL (Harrier 35 #1H)									

Company:	VPR Operating, LLC	Local Co-ordinate Reference:	Well 1H
Project:	Lea County, NM	TVD Reference:	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Site:	Harner "35" Fed Com	MD Reference:	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 1
Well:	1H	North Reference:	Grid
Wellbore:	Harner 35 #1H	Survey Calculation Method:	Minimum Curvature
Design:	Plan No 4	Database:	Well_Planner1

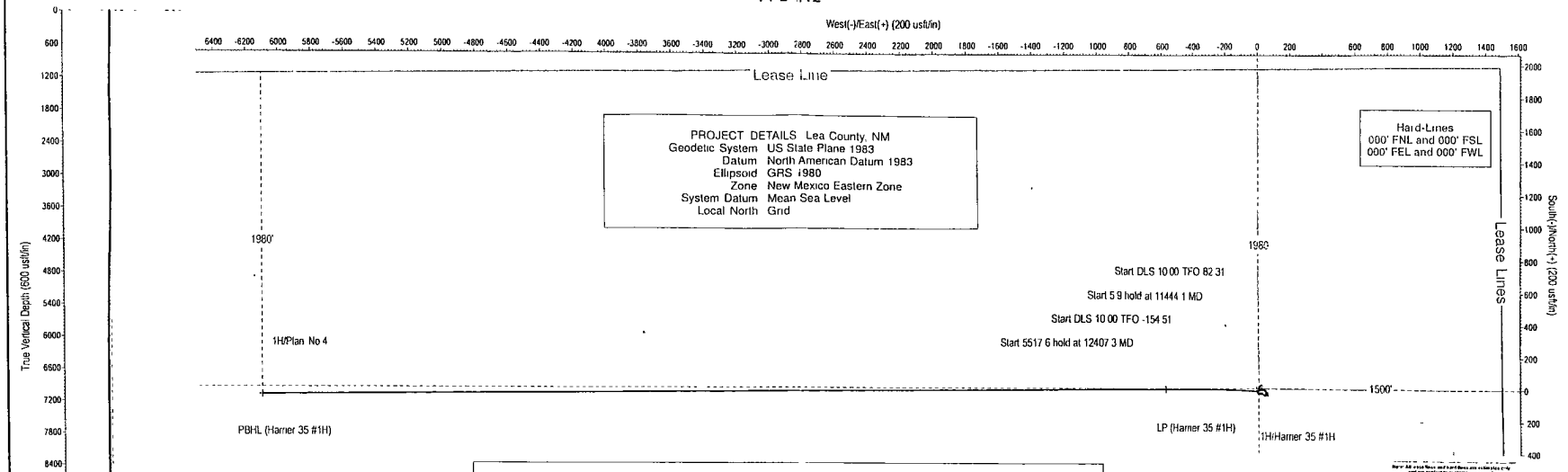
Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
12,284 7	12,065 0	Target Line 12,065' TVD @ 0' VS		-1 30	269 27

VPR
Vipray Petr Resources

VPR Operating, LLC
Harrier "35" Fed. Com. #1H
Lea County, NM
Plan #4
PPD #12

PRODIRECTIONAL



WELL DETAILS 1H

Ground Elevation	3363 0
RKB Elevation	WELL @ 3381 0usft (PinPointDrilling "PPD" #12 RKB 18' + GL 3363')
Rig Name	PinPointDrilling "PPD" #12 RKB 18' + GL 3363'

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0 0	0 0	396726 67	755434 67	3: °5' 19 661 N	103° 38' 31 240 W	

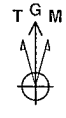
SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	Target
1	11400 0	1 89	3 74	11397 4	-25 5	3 9	0 00	0 00	4 1	
2	11444 1	5 02	64 21	11441 4	-23 9	-2 1	10 00	82 31	2 3	
3	11450 0	5 02	64 21	11447 3	-23 7	1 6	0 00	0 00	1 8	
4	12407 3	91 19	269 57	12065 0	-4 4	-584 9	10 00	-154 51	584 9	LP (Harrier 35 #1H)
5	17924 9	91 19	269 57	11950 0	-46 2	-6101 2	0 00	0 00	6101 4	PBHL (Harrier 35 #1H)

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

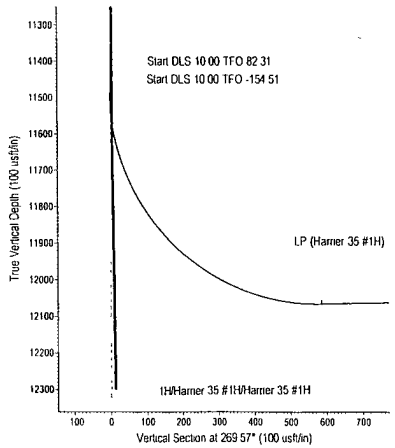
Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
PBHL (Harrier 35 #1H)	11950 0	-46 2	-6101 2	396680 44	749333 49	Point
LP (Harrier 35 #1H)	12065 0	-4 4	-584 9	396722 27	754849 77	Point

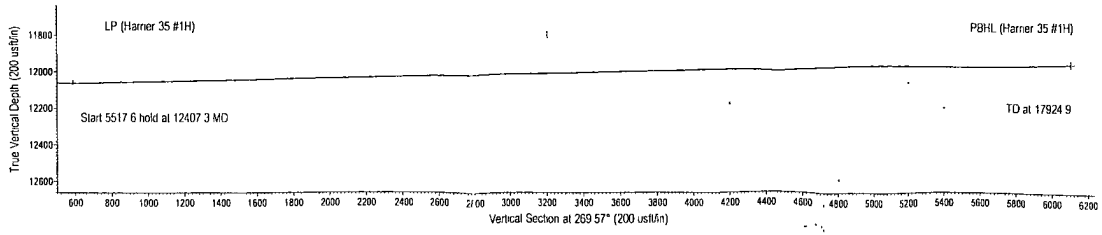
Magnetic Azimuth Apply 7 10 to convert to Grid North
Gyroscope Azimuth Apply 0 37 to convert to Grid North



Azimuths to Grid North
True North -0 37°
Magnetic North 7 10°

Magnetic Field
Strength 48413 9snT
Dip Angle 60 02°
Date 8/3/2012
Model IGRF2010





Target Centerline

FORMATION Wildcat, Bone Spring
TVD @ 0' VS 12,065'
Dip Angle 1 30º Up Dip