

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-HO RECEIVED

OCT 15 2010

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

## SUNDRY NOTICES AND REPORTS ON WELL HOBSOCD

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 reverse side.

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	5 Lease Serial No LC 063427
2 Name of Operator VPR Operating, LLC	6 If Indian, Allottee or Tribe Name
3a Address 1406 Camp Craft Road, Suite 160, Austin, TX 78746	7 If Unit or CA/Agreement, Name and/or No NMNM 71202
3b Phone No (include area code) 512/327-8776	8 Well Name and No. Rich Unit #1
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit L, 1980' FSL, 560' FWL, Sec. 34, T-9-S, R-37-E	9 API Well No 30-025-23510
	10 Field and Pool, or Exploratory Area West Sawyer, San Andres
	11 County or Parish, State Lea County, New Mexico

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

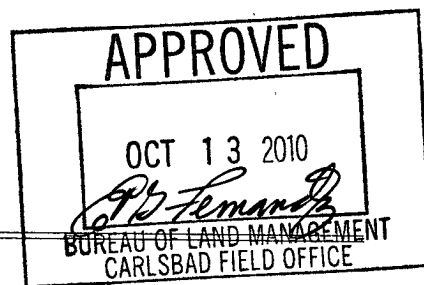
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change Operator
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleat 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Change operator from Mar Oil &amp; Gas Corp.

VPR Operating, LLC meets federal bonding requirements  
Bond Coverage: Statewide BLM Bond File No. NMB000600

The effective date of this change is July 1, 2009

SEE ATTACHED FOR  
CONDITIONS OF APPROVALLse Committed To LA SW-572  
NM-71202

- 14 I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

Shellie A. Murry

Title Accounting and Regulatory

Signature

Date

08/05/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER

Date

OCT 18 2010

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

K2

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

October 12, 2010

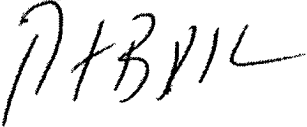
Mr. Kurt Simmons  
Legal Instruments Examiner  
Bureau of Land Management  
602 E Green Street  
Carlsbad NM88220-6292

Re: Rich Unit #1 Well

Dear Mr. Simmons:

Please be advised that VPR Operating, LLC accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the lease or portion of the lease referenced above.

Sincerely,

A handwritten signature in black ink, appearing to read "RBPullen", written over the word "Sincerely,".

Robert B. Pullen, Sr.  
Sr. Vice President

VPR Operating, LLC  
1406 Camp Craft Road, Suite 160  
Austin, Tx 78746

Re: NMLC06427: Rich Unit #1  
1980, FSL & 560' FWL, Sec. 34, T9S-37E  
Lea County, New Mexico

Condition of Approval (COA)

Well is currently Temporary Abandoned  
Submit plans with the next 30 days to return well to producing oil and or gas status.

Approval Subject To Notification of; The Working Interest Owners Of CANNMNM71202 / SW-572 Of The  
Change Of Operator VPR Operating, LLC

Also, submit the attached of Designation of Successor Operator for Communitization Agreement (CA)  
NMNM71202 / SW-572.

Any Question please contact Edward G. Fernandez at 575-234-2220.

Edward G. Fernandez  
Petroleum Engineer  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE  
620 E. Greene St  
Carlsbad, NM 88220  
Ph: (575) 234-2220  
FAX: (575) 234-5927

Designation of Successor Operator for CA

Designation of successor operator, communitization agreement no. \_\_\_\_\_,  
covering the \_\_\_\_\_ sec. \_\_\_\_\_, T. \_\_\_\_\_, R. \_\_\_\_\_, \_\_\_\_\_ County,  
\_\_\_\_\_.

This indenture, dated as to the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and  
between \_\_\_\_\_, hereinafter designated as "First Party," and the  
owners of 'communitized working interest, hereinafter designated as "Second Parties,""

Witnesseth: Whereas under the provision of section 17(j) of the Act of February 25,  
1920, as amended (74 Stat. 784; 30 U.S.C. 266(J)), the Secretary of the Interior, acting by and  
through the Authorized Officer, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, approved  
communitization agreement no. \_\_\_\_\_ whereby \_\_\_\_\_ is designated as  
Operator of the communitized area; and

Whereas the designation of a successor operator is now desired pursuant to section No. 3  
of the communitization agreement; and

Whereas the First Party has been and hereby is designated by Second Parties as Operator  
of the communitized area, and said First Party desires to assume all the rights, duties and  
obligations of Operator under said communitization;

Now, therefore, in consideration of the premises hereinbefore set forth and the promises  
hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the  
obligations of Operator of the communitized area under and pursuant to all the terms of  
communitization agreement no. \_\_\_\_\_ and the Second Parties covenant and agree that  
effective as of the date herein specified (Effective date \_\_\_\_\_), and upon  
receipt of this indenture, properly executed, by the Authorized Officer, the First Party shall be  
granted the exclusive right and privilege of exercising any and all rights and privileges as  
Operator, pursuant to the terms and conditions of said communitization agreement, said  
communitization agreement being hereby incorporated herein by reference and made a part  
hereof as fully and effectively as though said agreement were expressly set forth in this  
instrument.

In witness whereof, the parties hereto have executed this instrument as of the date  
hereinabove set forth.

\_\_\_\_\_  
(Witness/Date)

\_\_\_\_\_  
(First Party/Date)

\_\_\_\_\_  
(Witness/Date)

\_\_\_\_\_  
(Second Party/Date)