

**OCD-HOBBS**  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**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 reverse side.**

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/>		5 Lease Serial No. <b>LC-063427</b>
2 Name of Operator <b>VPR Operating, LLC</b>		6. If Indian, Allottee or Tribe Name
3a Address <b>1406 Camp Craft Road, Suite 160, Austin, TX 78746</b>	3b. Phone No. (include area code) <b>512/327-8776</b>	7. If Unit or CA/Agreement, Name and/or No.
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>554' FNL, 554' FWL, Sec. 26, T-9-S, R-37-E</b> <i>Unit - D</i>		8. Well Name and No. <b>ARCO #001</b>
		9. API Well No. <b>30-025-24340</b>
		10 Field and Pool, or Exploratory Area <b>West Sawyer, San Andres</b>
		11. County or Parish, State <b>Lea County, New Mexico</b>

**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 <b>Change Operator</b>
	<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 recomplate 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 recompletion 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 & 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 APPROVAL**

**RECEIVED**  
**AUG 25 2009**  
**HOBBSOCD**

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>Shellie A. Murry</b>		Title <b>Accounting and Regulatory</b>
Signature <i>Shellie A. Murry</i>	Date <b>08/05/2009</b>	
<b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>		
Approved by <i>[Signature]</i>	<b>PETROLEUM ENGINEER</b>	Date <b>AUG 21 2009</b> <b>KS</b>
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 <b>BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE</b>
Title 18 USC Section 1001 and Title 43 USC 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)

*KZ*

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

RE: LC063427; Arco "D" 1  
554' FNL & 554' FWL, Sec. 26, T9S-R37E  
Lea County, New Mexico

Condition of Approval, Change of Operator:

The referenced well last produced November, 2008 (per Minerals Management Service, OGOR). Reports are missing for the three month period of December, 2008 thru February, 2009. Submit plans to return the well to production, including the timeframe, or submit plans for the abandonment of the well. The missing OGOR reporting needs to be addressed with MMS. Plans for the well are to be submitted within 60 days.

If you have any questions, please contact James A. Amos @ 575-234-5909.

James A. Amos  
8/21/09