



6. The Screaming Eagle 4H Prospect ("4H"), located in Gonzales County, Texas, within the Eagle Ford Shale Formation, had a Confidential Private Placement Memorandum dated September 10, 2013, which offered investors the opportunity to acquire a unit of 1% working interest for \$99,888.00.

7. The Screaming Eagle 6H Prospect ("6H"), located in Gonzales County, Texas within the Eagle Ford Shale Formation, had a Confidential Private Placement Memorandum dated August 11, 2014, which offered investors the opportunity to acquire a unit of 1% working interest for \$108,964.00.

8. The Black Hawk Horizontal Buda #1 Prospect ("Buda"), located in Gonzales County, Texas, within the Buda Limestone Formation, had a Confidential Private Placement Memorandum dated December 10, 2014, which offered investors the opportunity to acquire a unit of 1.7544% working interest for \$96,491.23.

8. The listed Confidential Private Placement Memoranda specifically stated "[u]nits will be offered and sold by officers and employees of the Company, who will not receive transaction-based compensation for sales of Units."

9. On June 3, 2015, Primera filed for relief under Title 11 of the United States Code, commencing Bankruptcy Case No. 15-51396.

10. Federal Express is a commercial interstate carrier which delivers mail throughout the United States.

#### **B. THE SCHEME TO DEFRAUD**

That from on or about January 1, 2012 to on or about June 3, 2015, in the Western District of Texas and elsewhere, the defendant,

**BRIAN ALFARO**

did knowingly devise and intend to devise a scheme and artifice to defraud investors in Primera, and to obtain money and property from such victims by means of false and fraudulent pretenses, representations, and promises.

**C. MANNER AND MEANS OF THE SCHEME TO DEFRAUD**

It was a part of the scheme and artifice to defraud that:

1. Defendant Brian Alfaro, and others at his direction, would and did make certain material false representations to investors to induce investment contributions to Primera's oil and gas drilling prospects, to include, but not limited to, 4H, 6H, and Buda.

2. Defendant Brian Alfaro, and others at his direction, would and did falsely and materially represent to investors that Primera would use investor funds for well drilling and testing costs, completion and equipping costs, lease acquisition, geological, and geophysical expenses, and a fixed management fee.

3. Defendant Brian Alfaro, and others at his direction, did not properly pay Primera's well drilling and completion vendors with investor funds.

4. Instead, defendant Brian Alfaro, and others at his direction, would and did fraudulently misuse investor funds by transferring money to Brian Alfaro through, or into, financial accounts and entities Brian Alfaro controlled.

5. Defendant Brian Alfaro would and did fraudulently use these transferred investor funds to support his extravagant lifestyle.

6. Defendant Brian Alfaro, and others at his direction, would and did falsely and materially represent to investors that Primera would not pay transaction-based compensation to its officers and employees who procured investor funds by selling "units."

7. However, defendant Brian Alfaro actually would and did fraudulently pay to himself and others, transaction-based compensation for the sale of such “units.”

8. In the ordinary course of business, Primera would and did mail to potential investors, by Federal Express, Confidential Private Placement Memoranda accompanied by return Federal Express envelopes to allow investors to mail their checks to Primera.

9. Investors would and did mail their investment checks to Primera in San Antonio, Texas.

**D. THE EXECUTION OF THE SCHEME**

**COUNT ONE**  
**[18 U.S.C. § 1341]**

1. The Grand Jury hereby incorporates by reference and realleges all of the allegations of Sections A, B, and C, of this Indictment.

2. On or about December 4, 2013, in the Western District of Texas, the defendant,

**BRIAN ALFARO,**

for the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, by inducing an investor to send checks to a particular address in San Antonio, Texas, did knowingly cause a thing to be deposited for delivery, to wit: check number 2343 in the amount of \$39,444.08, to be sent and delivered to Primera’s address in San Antonio, Texas by commercial interstate carrier Federal Express, according to the directions thereon.

All in violation of Title 18, United States Code Section 1341.

**COUNT TWO**  
**[18 U.S.C. § 1341]**

1. The Grand Jury hereby incorporates by reference and realleges all of the allegations of Sections A, B, and C, of this Indictment.

2. On or about December 4, 2013, in the Western District of Texas, the defendant,

**BRIAN ALFARO,**

for the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, by inducing investors to send checks to a particular address in San Antonio, Texas, did knowingly cause a thing to be deposited for delivery, to wit: check number 2216 in the amount of \$26,722.00, to be sent and delivered to Primera's address in San Antonio, Texas, by commercial interstate carrier Federal Express, according to the directions thereon.

All in violation of Title 18, United States Code Section 1341.

**COUNT THREE**  
**[18 U.S.C. § 1341]**

1. The Grand Jury hereby incorporates by reference and realleges all of the allegations of Sections A, B, and C, of this Indictment.

2. On or about December 13, 2013, in the Western District of Texas, the defendant,

**BRIAN ALFARO,**

for the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, by inducing investors to send checks to a particular address in San Antonio, Texas, did knowingly cause a thing to be deposited for delivery, to wit: check

number 1327 in amount of \$49,944.00, to be sent and delivered to Primera's address in San Antonio, Texas, by commercial interstate carrier Federal Express, according to the directions thereon.

All in violation of Title 18, United States Code Section 1341.

**COUNT FOUR**  
**[18 U.S.C. § 1341]**

1. The Grand Jury hereby incorporates by reference and realleges all of the allegations of Sections A, B, and C, of this Indictment.

2. On or about December 16, 2013, in the Western District of Texas, the defendant,

**BRIAN ALFARO,**

for the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, by inducing investors to send checks to a particular address in San Antonio, Texas, did knowingly cause a thing to be deposited for delivery, to wit: check number 2224 in the amount of \$39,444.00, to be sent and delivered to Primera's address in San Antonio, Texas, by commercial interstate carrier Federal Express, according to the directions thereon.

All in violation of Title 18, United States Code Section 1341.

**COUNT FIVE**  
**[18 U.S.C. § 1341]**

1. The Grand Jury hereby incorporates by reference and realleges all of the allegations of Sections A, B, and C, of this Indictment.

2. On or about June 24, 2014, in the Western District of Texas, the defendant,

**BRIAN ALFARO,**

for the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, by inducing investors to send checks to a particular address in San Antonio, Texas, did knowingly cause a thing to be deposited for delivery, to wit: check number 9993 in the amount \$99,888.00, to be sent and delivered to Primera's address in San Antonio, Texas, by commercial interstate carrier Federal Express, according to the directions thereon.

All in violation of Title 18, United States Code Section 1341.

**COUNT SIX**  
[18 U.S.C. § 1341]

1. The Grand Jury hereby incorporates by reference and realleges all of the allegations of Sections A, B, and C, of this Indictment.

2. On or about September 5, 2014, in the Western District of Texas, the defendant,

**BRIAN ALFARO,**

for the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, by inducing investors to send checks to a particular address in San Antonio, Texas, did knowingly cause a thing to be deposited for delivery, to wit: check number 10010 in the amount of \$29,150.00, to be sent and delivered to Primera's address in San Antonio, Texas, by commercial interstate carrier Federal Express, according to the directions thereon.

All in violation of Title 18, United States Code Section 1341.

**COUNT SEVEN**  
**[18 U.S.C. § 1341]**

1. The Grand Jury hereby incorporates by reference and realleges all of the allegations of Sections A, B, and C, of this Indictment.

2. On or about December 16, 2014, in the Western District of Texas, the defendant,

**BRIAN ALFARO,**

for the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, by inducing investors to send checks to a particular address in San Antonio, Texas, did knowingly cause a thing to be deposited for delivery, to wit: check number 3566 in the amount of \$217,928.00, to be sent and delivered to Primera's address in San Antonio, Texas by commercial interstate carrier Federal Express, according to the directions thereon.

All in violation of Title 18, United States Code Section 1341.

**COUNT EIGHT**  
**[18 U.S.C. § 1341]**

1. The Grand Jury hereby incorporates by reference and realleges all of the allegations of Sections A, B, and C, of this Indictment.

2. On or about December 31, 2014, in the Western District of Texas, the defendant,

**BRIAN ALFARO,**

for the purpose of executing the aforementioned scheme and artifice to defraud and attempting to do so, by inducing investors to send checks to a particular address in San Antonio, Texas, did knowingly cause a thing to be deposited for delivery, to wit: check

number 10018 in the amount of \$43,028.00, to be sent and delivered to Primera's address in San Antonio, Texas, by commercial interstate carrier Federal Express, according to the directions thereon.

All in violation of Title 18, United States Code Section 1341.

**NOTICE OF UNITED STATES OF AMERICA'S DEMAND FOR FORFEITURE**  
**[See Fed.R.Crim.P. 32.2]**

This Notice of Demand for Forfeiture includes but is not limited to the property described in Paragraph II.

**I.**

**Mail Fraud Violations and Forfeiture Statutes**

**[Title 18 U.S.C. § 1341, subject to forfeiture pursuant to Title 18 U.S.C. § 981(a)(1)(C), made applicable to criminal forfeiture by Title 28 U.S.C. § 2461(c)]**

As a result of the foregoing criminal violations set forth herein, the United States of America gives notice to the Defendant of its intent to seek the forfeiture of the property described below upon conviction pursuant to Fed. R. Crim. P. 32.2 and Title 18 U.S.C. § 981(a)(1)(C), made applicable to criminal forfeiture by Title 28 U.S.C. § 2461(c), which states the following:

**Title 18 U.S.C. § 981.**

**(a)(1)** The following property is subject to forfeiture to the United States:

**\* \* \***

**(C)** Any property, real or personal, which constitutes or is derived from proceeds traceable to . . . any offense constituting "specified unlawful activity" (as defined in section 1956(c)(7) of this title), or a conspiracy to commit such offense.

Mail Fraud is an offense constituting "specified unlawful activity" as defined in section 1956(c)(7) of this title.

**II.**

**Real Property**

- 1) Real Property located and situated at **310 Huntington Place, Shavano Park, Texas, 78231**, with all buildings, appurtenances,

and improvements thereon and any and all surface and sub-surface rights, title, and interests, if any, and being more fully described as follows:

CB 4782E (SHAVANO PARK UT-19C PH-1), BLOCK 33 LOT 2069;

- 2) Real Property located and situated at **198 Bent Grass Drive, Port Aransas, Texas, 78373**, with all buildings, appurtenances, and improvements thereon and any and all surface and sub-surface rights, title, and interests, if any, and being more fully described as follows:

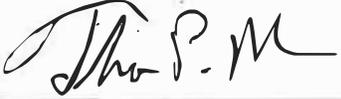
CINNAMON SHORE NUD UNIT 1 BLK 1 LOT 22.

A TRUE BILL

  
FOREPERSON OF THE GRAND JURY

JOHN F. BASH  
UNITED STATES ATTORNEY

BY:

  
\_\_\_\_\_  
THOMAS P. MOORE  
Assistant United States Attorney