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James R. Renfro
Managing Member
Renfro Energy, LLC
2708 Wagonwheel Dr.
Carrollton, TX 75006

RE: Cameron Parish School Board Lease
Proved Undeveloped Reserve Study
Proposed Well #6

Dear Mr. Renfro:

As requested, I have performed an estimate of proved undeveloped oil reserves owned by Renfro Energy, LLC (“Renfro”) in regards to a well location identified in the southeast corner of Renfro’s Cameron Parish School Board Lease and named Well #6. The lease, identified as Section 16 Township 14 South Range 13 West, is located near Johnson Bayou, Cameron Parish, Louisiana, 5 miles north of the Gulf of Mexico.

Total Proved Undeveloped Reserves (“Reserves”) presented herein are defined as those hydrocarbon liquid reserves attributable to Well #6. After deducting all forms of royalties, Renfro’s interest is 72% of such Reserves. The Reserves estimated have been prepared using standard engineering practices generally accepted by the petroleum industry and conform to guidelines developed and adopted by the Society of Petroleum Engineers (“SPE”), American Association of Petroleum Geologists (“AAPG”), World Petroleum Council (“WPC”), and the Society of Petroleum Evaluation Engineers (“SPEE”). All hydrocarbon liquid Reserves are expressed in United States barrels (“bbl”) of 42 gallons.

RESERVE ESTIMATE METHODOLOGY

The Reserves estimates contained in this report have been prepared using standard engineering practices generally accepted by the petroleum industry. The reservoir containing the Reserves is assumed to be a non-pressure depletion drive mechanism and Reserves were estimated by volumetric analysis, research of analogous reservoirs, or a combination of both.

RESERVE CLASSIFICATION

The Reserves estimates included in this report conform to the guidelines specified by the SPE, AAPG, WPC, and SPEE. A complete discussion of the Reserves classification definitions can be found on the SPE website (www.spe.org).

DISCLAIMERS

Data used in performing this appraisal were obtained from Renfro, public sources, and our own files. Supporting work papers pertinent to the appraisal are retained in our files and are available to you or designated parties at your convenience.

The Reserves presented in this report are estimates only and should not be construed as being exact quantities. They may or may not be actually recovered. In any case, quantities of Proved Reserves may increase or decrease as a result of future operations.

CONCLUSION

The Proved Undeveloped Reserves in this report represent the estimated oil reserves to be recovered from one well to be drilled located in Cameron Parish, Louisiana and identified as Well #6. The Reserves attributable to Renfro's interest is 72% of 330,000 barrels or 237,600 barrels. The well is assumed to be completed in water drive, or partial water drive reservoirs.

Respectfully submitted,



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Certified Petroleum Geologist
License #4566

TECHNICAL GEOLOGIC DISCUSSION AND BASIS FOR RESERVE ESTIMATE

I have reviewed the Geology pertaining to the proposed Well #6 which offsets the plugged Well #36. It is my opinion this is an excellent proved undeveloped reserve location to access 330,000 barrels of oil. I have presented the following reasons for my conclusions.

1) Good close in well control enabling construction of accurate subsurface structure maps and cross sections from the well logs. Representing a classic Gulf Coast upthrown fault high on an East-West fault with North dip;

2) Well #36 was drilled in 1982, decades after the surrounding wells had ceased production and found three productive sands (3900', 4000' and 4200' sands). This well produced briefly from the 4200' sand but was never completed in the 3900' and 4000' sands;

3) The key to a high degree of confidence in the reservoir size is determined by good subsurface control and excellent correlation from actual cumulative production. Both the maps and production suggests a producing fault block in the +/- 20 acre range; and

4) Three key wells in fault block are Wells #11, #7 and #36.

- a) Well #11 was drilled in a downdip position to a depth of 3761' and only encountered the top of the 3900' sand. The well was subsequently completed in this zone and eventually watered out after accumulating 569,000 barrels of oil.
- b) Well #7 was drilled higher in the fault block and encountered the East-West oriented trapping fault which faulted out the 3900' and 4000' sands leaving only the 4200' sand to complete. This zone went off production after producing 625,000 barrels of oil. For this well to have a cumulative production of this value, the producing fault block must be at least 20 acres.
- c) Well #36 drilled years later after surrounding wells had gone offline encountered all three sands to be productive by interpretation of open hole logs. The 4200' sand produced for a few years before the well was prematurely plugged without recompleting in the 4000' and 3900' sands.

Summary:

A new wellbore drilled to 4200' at a location 100' WSW of Well #36 should encounter all three producing sands in an optimal top structural position for the fault block.

Reserve potential for each sand:

3900'	4 acres x 50' avg thickness x 500 barrels of oil/ac-foot =	100,000 barrels
4000'	20 acres x 20' avg thickness x 500 barrels of oil/ac-foot =	200,000 barrels
4200'	3 acres x 20' avg thickness x 500 barrels of oil/ac-foot =	<u>30,000 barrels</u>
	Total Potential Reserves =	330,000 barrels