



LaRoche Petroleum Consultants, Ltd.

February 22, 2011

Mr. Byron Coulthard  
Bonanza Resources Corporation  
5910 N. Central Expressway, Suite 1250  
Dallas, Texas 75206

Dear Mr. Coulthard:

At your request, LaRoche Petroleum Consultants, Ltd. (LPC) has estimated the proved reserves and future cash flow, as of October 31, 2010, to the Bonanza Resources Corporation (Bonanza) interest in certain properties located in Caddo County, Oklahoma in the United States of America. As requested, this report has been prepared using variable prices and constant costs as set forth in subsequent paragraphs of this letter.

### **REPORT ON RESERVES DATA**

To the board of directors of Bonanza Resources Corporation:

We have evaluated reserves data as of October 31, 2010 of Bonanza Resources Corporation. The reserves data consists of the following:

- Proved oil and gas reserves estimated as of October 31, 2010 using variable prices and constant costs; and
- The related estimated future net revenue.

The reserves data are the responsibility of the Company's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

We carried out our evaluation and review in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook") prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy and Petroleum (Petroleum Society).

Those standards require that we plan and perform an evaluation and review to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation and review also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

Summarized below are LPC estimates of net reserves and future net cash flow. Future net revenue is prior to deducting estimated production taxes. Future net cash flow is after deducting these taxes, operating expenses, and future capital expenditure. The discounted cash flow values included in this report are intended to represent the time value of money and should not be construed to represent an estimate of fair market value. We estimate the proved net reserves, estimated using variable prices and constant costs, and future net cash flow to the Bonanza interest, as of October 31, 2010, to be:

Category	Net Reserves		Future Net Cash Flow (US \$)	
	Oil (Barrels)	Gas (Mcf)	Total	Present Worth at 10%
Proved Developed				
Producing	2,075	79,682	\$ 379,857	\$ 211,180
Non-Producing	915	10,473	\$ 86,041	\$ 55,142
Proved Undeveloped	102	21,256	\$ 52,176	\$ 14,993
Total Proved <sup>(1)</sup>	3,092	111,411	\$ 518,074	\$ 281,315

<sup>(1)</sup> The total proved values above may or may not match those values on the total proved summary page that follows this letter due to rounding by the economics program.

In our opinion, the reserves data respectively evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook. We express no opinion on any reserves data that we did not evaluate. We have no responsibility to update our reports for events and circumstances after their respective preparation dates.

The reserves included in this report are estimates only and should not be construed as exact quantities. They may or may not be recovered; if recovered, the revenues therefrom and the costs related thereto could be more or less than the estimated amounts. These estimates should be accepted with the understanding that future development, production history, changes in regulations, product prices, and operating expenses would probably cause us to make revisions in subsequent evaluations. A portion of these reserves are for behind-pipe zones, undeveloped locations, and producing wells that lack sufficient production history to utilize performance-related reserve estimates. Therefore, these reserves are based on estimates of reservoir volumes and recovery efficiencies along with analogies to similar production. These reserve estimates are subject to a greater degree of uncertainty than those based on substantial production and pressure data. It may be necessary to revise these estimates up or down in the future as additional performance data become available. As in all aspects of oil and gas evaluation, there are uncertainties inherent in the interpretation of engineering and geological data; therefore, our conclusions represent informed professional judgments only, not statements of fact.

Executed as to our report referred to above:

LaRoche Petroleum Consultants, Ltd.  
Certificate of Registration F-1360

William M. Kazmann  
Dallas, Texas/USA  
February 22, 2011

  
William M. Kazmann  
Registered Professional Engineer  
State of Texas No. 45012



Al Iakovakis  
Dallas, Texas/USA  
February 22, 2011

  
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Senior Staff Engineer  
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