

**AMENDMENT TO AMENDMENT AND RATIFICATION OF OIL, GAS AND LIQUID
HYDROCARBON LEASE AGREEMENT**

THIS AGREEMENT is dated January 5th, 2011 reflecting the intent of the parties effective as of July 1, 2010.

AMONG:

E.W. BROWN, JR. PROPERTIES, f/b/o John S. Brown Texas Trust, L. Slade Brown Louisiana Trust Beneficiaries Michael S. Brown and Mary Robbins Brown Jones, a/k/a Robbin B. Jones; Charles E. Brown Louisiana Trust Beneficiaries Carrie Brown Henley, Charles E. Brown, Jr., Richard E. Brown and Robert S. Brown with an address for mailing of Suite 482, 2500 Tanglewilde, Houston, Texas 77603

(“Brown Properties”)

AND:

FBC Minerals, LP with an address for mailing of Suite 482, 2500 Tanglewilde, Houston, Texas 77603

(“FBC” and together with Brown Properties, the “Lessor”)

AND:

DELTA OIL & GAS, INC., a corporation with an address for mailing at Suite 604, 704 West Pender Street, Vancouver, B.C. V6C 1G8

(the “Delta”)

AND:

HILLCREST EXPLORATION, INC., a corporation incorporated pursuant to the laws of Texas with an address for mailing at Suite 610, One Riverway, Houston, Texas 77056

(“HEP”)

AND:

HILLCREST RESOURCES LTD., a corporation incorporated pursuant to the laws of British Columbia with an address at Suite 303, 750 Pender Street, Vancouver, British Columbia V6C 2T7

(“Hillcrest”)

WHEREAS:

- (A) An amendment agreement (the "**Agreement**") dated effective July 1, 2010 to amend the terms of an Oil, Gas and Liquid Hydrocarbon Lease dated effective July 1, 2009, by and between Lessor and Barry Lasker, the lessee, of which a Memorandum of Oil, Gas and Liquid Hydrocarbon Lease was filed of record October 16, 2009 as Document Register No. 144,543 and is recorded in Volume 587, Page 166 of the *Official Public Records* of Newton County, Texas and to which Delta and Hillcrest are parties to (the "**Lease**"), was executed by Delta and HEI, a copy of which is attached hereto as Schedule A;
- (B) Effective July 1, 2010 Delta assigned 60% of its interest in the Lease to Hillcrest.
- (C) HEI is a wholly-owned subsidiary of Hillcrest.
- (D) The Agreement inadvertently referenced HEI and not Hillcrest, as a party to the Agreement;
- (E) It was the intention of the Parties that Hillcrest be a party to the Agreement;
- (F) The Parties wish to amend the Agreement to expressly include Hillcrest as a party to the Agreement and not HEI, consistent with their original intent, and on the terms provided herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties covenant and agree that the Agreement be amended with an intended effective date as of July 1, 2010 in accordance with their original intent and agreement, and on the terms more particularly set out as follows:

1. Amendment to Agreement

1.1 The Parties hereby agree to revise and amend the Agreement by deleting the definition of "Lessee" in the recitals to the Agreement and to replace the same with the following:

"**DELTA OIL & GAS, INC.**, whose mailing address is Suite 604, 704 West Pender St., Vancouver, B.C. Canada V6C 1G8 and **HILLCREST RESOURCES LTD.** whose mailing address is Suite 303, 750 Pender Street, Vancouver, British Columbia V6C 2T7 (hereinafter called "**Lessee**")";

1.2 The Parties hereby agree to revise and amend the Agreement by deleting HEI's signature block on page two of the Agreement and replace the same with the following:

HILLCREST RESOURCES LTD.

by:

President

2. General

2.1 The provisions set out in §1.1 and 1.2 hereof shall supersede and replace all conflicting provisions and subject matter otherwise contained in the Agreement, and in the event of any contradiction or conflict between the Agreement and this Amendment, this Amendment shall entirely prevail and govern the contractual relations and all other obligations and rights between the parties hereto.

2.2 All other terms, conditions and provisions of the Agreement not amended by this Amendment are hereby confirmed and remain in full force and effect.

2.3 This Amendment is governed by, and is to be construed and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

2.4 This Amendment may be executed in as many counterparts as may be necessary or by facsimile and each such counterpart agreement or facsimile so executed is deemed to be an original and such counterparts and facsimile copies together will constitute one and the same instrument.

2.5 This Amendment will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the Parties have executed this Amendment as of the day and year first set forth above, with intended effect as set out in this Amendment.

E.W. BROWN, JR. PROPERTIES, f/b/o John S. Brown Texas Trust, L. Slade Brown Louisiana Trust Beneficiaries Michael S. Brown and Mary Robbins Brown Jones, a/k/a Robbin B. Jones, Charles E. Brown Louisiana Trust Beneficiaries Carrie Brown Henley, Charles E. Brown, Jr. Richard E. Brown and Robert S. Brown

Per: _____
Authorized Signatory
Name:
Title:

FBC MINERALS, LP

Per: _____
Authorized Signatory
Name:
Title:

DELTA OIL & GAS, INC.

Per: _____
Authorized Signatory
Name: Douglas H. Bowen
Title: PRESIDENT

HILLCREST EXPLORATION, INC.

Per: _____
Authorized Signatory
Name:
Title:

2.2 All other terms, conditions and provisions of the Agreement not amended by this Amendment are hereby confirmed and remain in full force and effect.

2.3 This Amendment is governed by, and is to be construed and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

2.4 This Amendment may be executed in as many counterparts as may be necessary or by facsimile and each such counterpart agreement or facsimile so executed is deemed to be an original and such counterparts and facsimile copies together will constitute one and the same instrument.

2.5 This Amendment will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the Parties have executed this Amendment as of the day and year first set forth above, with intended effect as set out in this Amendment.

E.W. BROWN, JR. PROPERTIES, f/b/o John S. Brown Texas Trust, L. Slade Brown Louisiana Trust Beneficiaries Michael S. Brown and Mary Robbins Brown Jones, a/k/a Robbin B. Jones; Charles E. Brown Louisiana Trust Beneficiaries Carrie Brown Henley, Charles E. Brown, Jr. Richard E. Brown and Robert S. Brown

Per: _____
Authorized Signatory
Name:
Title:

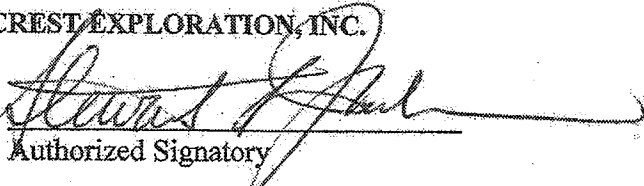
FBC MINERALS, LP

Per: _____
Authorized Signatory
Name:
Title:

DELTA OIL & GAS, INC.

Per: _____
Authorized Signatory
Name:
Title:

HILLCREST EXPLORATION, INC.

Per: 
Authorized Signatory
Name:
Title:

HILLCREST RESOURCES LTD.

Per:  _____

Authorized Signatory

Name: DONALD CURRIE

Title: CEO / DIRECTOR

**SCHEDULE A
AMENDMENT AND RATIFICATION OF OIL, GAS
AND LIQUID HYDROCARBON LEASE**

[See Following Page]

AMENDMENT AND RATIFICATION of
OIL, GAS AND LIQUID HYDROCARBON LEASE

STATE of TEXAS §
COUNTY of NEWTON §

THIS AGREEMENT, entered into by and between: **E. W. BROWN, JR. PROPERTIES** f/b/o John S. Brown Texas Trust, L. Slade Brown Louisiana Trust Beneficiaries Michael S. Brown and Mary Robbins Brown Jones, a/k/a Robbin B. Jones; Charles E. Brown Louisiana Trust Beneficiaries Carrie Brown Henley, Charles E. Brown, Jr., Richard E. Brown and Robert S. Brown and **FBC MINERALS, LP** whose mailing address is: 2500 Tanglewilde - Suite 482 Houston, Texas 77063, (hereinafter called "**Lessor**"), and

DELTA OIL & GAS, INC. whose mailing address is 704 West Pender St. - Suite 604 Vancouver, BC - Canada V6C 1G8 and **HILLCREST EXPLORATION, INC.**, whose mailing address is One Riverway - Suite 610 Houston, Texas 77056 (hereinafter called "**Lessee**"),

WITNESSETH:

WHEREAS, Lessor and Lessee each own interests under and subject to the terms of an "Oil, Gas and Liquid Hydrocarbon Lease" dated effective July 1, 2009, by and between Lessor and Barry Lasker, Lessee, of which a "*Memorandum of Oil, Gas and Liquid Hydrocarbon Lease*" was filed of record October 16, 2009 as Document Register No. 144,543 and is recorded in Volume 587, Page 166 of the *Official Public Records of Newton County, Texas* (hereinafter called the "**Lease**"); and,

WHEREAS, under Article IV, DELAY RENTAL, Lessee acknowledges receipt of Check No. 2685 in the amount of \$19,736.83 drawn on Washington Mutual Bank, FA by Barry Lasker payable to as full and complete payment of the annual delay rental due July 1, 2009 to E. W. Brown, Jr. Properties and FBC Minerals, LP and,

WHEREAS, Lessor and Lessee desire to amend the Lease in the manner of,

THAT, on or before February 1, 2011 Lessee, it's successors, assigns or nominee, shall commence actual drilling operations of a well on the leased premises and prosecute the drilling thereof to a true vertical depth of 7,900 feet, or a depth-equivalent to test the completed interval 7058-7063' in the Nadsoilco, LLC #1 Donner (API# 42-351-30838), whichever the lesser, or lands pooled therewith, else this lease shall terminate; provided, however, all other terms and provisions of the lease shall remain in full force and effect.

NOW THEREFORE, in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable considerations, the receipt, adequacy and sufficiency of which are hereby acknowledged, and for the purpose of amending said Lease, it is now and hereby agreed, notwithstanding anything to the contrary in said Lease as originally executed, said Article

Lessor acknowledges that said Lease, as amended, is valid and in full force and effect as to the entirety of the lands described in said Lease, as set forth on **EXHIBIT "A"** hereto attached and made a part hereof, and for such purpose Lessor hereby grants, leases and lets to Lessee all of Lessor's interest in the lands described in said Lease upon the same terms, conditions and provisions as are contained in said Lease, and amended further herein.

This Amendment may be executed in any number of counterparts, each of which shall be an original, binding upon all parties hereto just as if each party had executed the same counterpart and the parties may combine said counterparts to form one single instrument. This Amendment shall be binding upon the parties executing same whether or not all parties execute same hereto.

IN WITNESS WHEREOF, this instrument is executed and agreed effective as of and from July 1, 2010.

LESSOR:

E. W. BROWN, JR. PROPERTIES

f/b/o John S. Brown (Texas) Trust; Charles E. Brown (Texas) Trust Beneficiaries: Carrie Brown Henley, Charles E. Brown, Jr., Richard E. Brown and Robert S. Brown; Remaindermen of L. Slade Brown: Michael S. Brown and Mary Robbins Brown Jones (a/k/a Robbin B. Jones);

LESSOR:

**FBC MINERALS, LP - by
Endeavor Land Stewards, LLC
its General Partner**

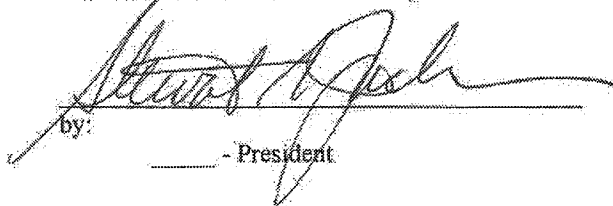
by: _____
**Mark C. Brown - President of
Endeavor Land Stewards, LLC**

LESSEE:

DELTA OIL & GAS, INC.

by: _____
_____ - President

HILLCREST EXPLORATION, INC.

by:  _____
_____ - President

ACKNOWLEDGMENTS

STATE of TEXAS
COUNTY of DALLAS

This instrument was acknowledged before me on the _____ day of _____, 2010 by **John S. Brown - Co-Manager of E. W. Brown Jr. Properties.**

Notary Public - In and for The State of Texas

STATE of TEXAS
COUNTY of HARRIS

This instrument was acknowledged before me on the _____ day of _____, 2010 by **Charles E. Brown, Jr. - Co-Manager of E. W. Brown Jr. Properties.**

Notary Public - In and for The State of Texas

STATE of TEXAS
COUNTY of HARRIS

This instrument was acknowledged before me on the _____ day of _____, 2010 by **Michael S. Brown - Co-Manager of E. W. Brown Jr. Properties.**

ACKNOWLEDGMENTS

STATE of TEXAS
COUNTY of HARRIS

This instrument was acknowledged before me on the _____ day of _____, 2010 by _____, _____ - **President of Hillcrest Exploration, Inc.**, a _____ corporation, on behalf of said corporation.

Notary Public - In and for The State of Texas

PROVINCE of BRITISH COLUMBIA
CITY of VANCOUVER, Canada

This instrument was acknowledged before me on the _____ day of _____, 2010 by _____, _____ - **President of Delta Oil & Gas, Inc.**, a _____ corporation, on behalf of said corporation.

Notary Public - In and for

EXHIBIT "A"

to

AMENDMENT and RATIFICATION of
OIL, GAS AND LIQUID HYDROCARBON LEASE

121.095 acres, more or less, being all of the west one-half ($W \frac{1}{2}$) of that certain 243.81 acres of the George H. Burgin Survey, Abstract No. 49, Newton County, Texas being the 243.81 acres set out and described as Tract No. 1 in Partition Deed dated November 13, 1946 recorded in Volume 82 at Page 411 of the Deed Records of Newton County, Texas from H. L. Brown and Babette Moore Odom to E. W. Brown, Jr., reference to which is hereby incorporated for a more thorough and complete description hereof.