KLH CONSULTING

A DIVISION OF IGWT, INC.

January 22, 2013

Mr. Marshall Diamond-Goldberg
Legend Oil and Gas Ltd.
1420 5th Avenue, Suite 2200
Seattle, WA 98101

Re: Evaluation, December 31, 2012
Woodson County Kansas

Dear Mr. Diamond-Goldberg,

I have undertaken an economic appraisal and 10% discount value determination of properties operated by Legend Oil and Gas Ltd (Legend) in Woodson County Kansas. The effective date of this appraisal is December 31, 2012. Information used was taken from records provided by Legend as well as public records. Also determined in this appraisal, are the proved producing reserves for each lease and proved undeveloped reserves on planned 2013 drilling wells. This report was prepared for Legend to fulfill SEC requirements. This report covers oil producing properties held by Legend in the geographic area of Woodson County, Kansas. This report covers less than 11% of the reserves held by Legend. All assumptions, data, methods and procedures used are appropriate for the reports purpose. The economic assumptions are documented. The possible effects of regulation on the ability to recover the estimated reserves are not expected to be significant. The reserve estimates are considered low risk. Unforeseen mechanical problems may influence recovery of the estimated reserves. This report was prepared using all methods and procedures deemed necessary.

All leases produce from the squirrel sand. The oldest producing lease started in 1970 and the newest in 2005. Most began in the 1980's. Total production currently is about 15.02 BOPD from 41 producing wells or .37 BOPD per well. You have indicated that water flooding is planned. This is expected to improve production as it is implemented.

Proved undeveloped reserves have been added to various leases for planned 2013 development. The oil sales projections are based on analogous recoveries from recent wells drilled in this reservoir. This new drilling is reported on separate economic runs from the proved producing reserves. A total of 16 new wells are projected to begin sales in 2013.

For each lease a projection of future cash flow was made using the following parameters:

155 N. MARKET · SUITE 500 · WICHITA, KS 67202 · PH 316·265·5800 · FAX 316·265·6169
WWW.KLHOILANDGASCONSULTING.COM

Working Interest:	100%
Net Revenue Interest:	87.5%
Future Oil:	Producing trends were projected into the future.
Operating Costs:	Recent operating costs were averaged for each lease accounting for extra work to upgrade. These include ad valorem taxes. Costs were held constant. When new wells are added to existing leases the costs are allocated on a per barrel basis.
Oil Price:	The oil price used for 2013 and beyond is 86.47 held constant.
Taxes:	Kansas state conservation taxes are 91 mills per barrel sold. The Kansas Petroleum Marketing Assessment is .05% of revenue. These leases are exempt from Kansas Severance taxes.
Valuation:	Future cash flow using the above parameters were discounted at 10% to arrive at each leases value as of December 31, 2012.

The attached spreadsheet reports for each lease, its name, legal description, net proved producing reserves, 10% discount value, net proved undeveloped reserves and 10% discount value.

The reserve estimates provided in this report were prepared using generally accepted evaluation practices. The reserves reported are in accordance with definitions as stated in SEC Standards and Regulations S-X. See attached definitions sheet.

I have prepared this evaluation based on data available as of January 2013. I make no representation that the projections made and valuations given will remain as stated.

Kenton L. Hupp
Licensed Petroleum Engineer

KENTON L. HUPP
LICENSED
9748
2/6/13
KANSAS
PROFESSIONAL ENGINEER

KLH/mlh
Enclosure

DEFINITIONS

Regulation S-X Rule 4-10

(22) *Proved oil and gas reserves*. Proved oil and gas reserves are those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible-form a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations-prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time.

(i) The area of the reservoir considered as proved includes:

(A) The area identified by drilling and limited by fluid contacts, if any, and

(B) Adjacent undrilled portions of the reservoir that can, with reasonable certainty, be judged to be continuous with it and to contain economically producible oil or gas on the basis of available geoscience and engineering data.

(ii) In the absence of data on fluid contacts, proved quantities in a reservoir are limited by the lowest known hydrocarbons (LKH) as seen in a well penetration unless geoscience, engineering, or performance data and reliable technology establishes a lower contact with reasonable certainty.

(iii) Where direct observation from well penetrations has defined a highest known oil (HKO) elevation and the potential exists for an associated gas cap, proved oil reserves may be assigned in the structurally higher portions of the reservoir only if geoscience, engineering, or performance data and reliable technology establish the higher contact with reasonable certainty.

(iv) Reserves which can be produced economically through application of improved recovery techniques (including, but not limited to, fluid injection) are included in the proved classification when:

(A) Successful testing by a pilot project in an area of the reservoir with properties no more favorable than in the reservoir as a whole, the operation of an installed program in the reservoir or an analogous reservoir, or other evidence using reliable technology establishes the reasonably certainty of the engineering analysis on which the project or program was based; and

(B) The project has been approved for development by all necessary parties and entities, including governmental entities.

(v) Existing economic conditions include prices and costs at which economic producibility from a reservoir is to be determined. The price shall be the average price during the 12-month period prior to the ending date of the period covered by the report, determines as an un-weighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements, excluding escalations based upon future conditions.

(31) *Undeveloped oil and gas reserves*. Undeveloped oil and gas reserves are reserves of any category that are expenditure to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion.

(i) Reserves on undrilled acreage shall be limited to those directly offsetting development spacing areas that are reasonably certain of production when drilled, unless evidence using reliable technology exists that establishes reasonable certainty of economic producibility at greater distances.

(ii) Undrilled locations can be classified as having undeveloped reserves only if a development plan has been adopted indicating that they are scheduled to be drilled within five years, unless the specific circumstances, justify a longer time.

(iii) Under no circumstances shall estimates for undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual projects in the same reservoir or an analogous reservoir, as defined in paragraph (a)(2) of establishing reasonable certainty.

LEGEND OIL AND GAS LTD.

NAME	LEGAL DESCRIPTION	PROVED DEVELOPED PRODUCING RESERVES, BARRELS	10% DISCOUNT VALUE PDP	PROVED UNDEVELOPED RESERVES	10% DISCOUNT VALUE PUD
BENNETT LEASE	NW4 NE4 & NE4 & N2 SE4, 21-25S-17, WOODSON CO, KS	2,759	$71,972	8,174	$282,215
ELLIS MASSOTH LEASE	NW4 NW4 & E2 NW4, 22-25S-17, WOODSON CO, KS	***	***	***	***
JOHN ELLIS LEASE	SW4 NW4, 22-25S-17, WOODSON CO, KS	8,601	$294,797	8,205	$282,228
ORTH LEASE	NW4, 21-25S-17, WOODSON CO, KS	0	$0	15,866	$528,300
ORTH / CRESS LEASE	W2 SE4 E2 W2 NE4, 22-25S-17, WOODSON CO, KS	5,017	$185,293	16,253	$555,331
ORTH GILLESPIE / GILLESPIE SOUTH LEASE	W2 SW4, 22-25S-17, WOODSON CO, KS	16,280	$605,358	8,180	$284,530
PATRICK COLLINS LEASE	S2, 17-25S-17, WOODSON CO, KS	0	$0	7,776	$244,469
	TOTAL:	32,657	$1,157,420	64,454	$2,177,073

*** VALUED WITH THE JOHN ELLIS LEASE

SUMMARY OF MARKET VALUE

LEGEND OIL AND GAS LTD.

AS OF DECEMBER 31, 2012

PREPARED BY

KLH CONSULTING

316·265·5800

Life	25.8 Years

Discount Rates	
0.00%	5,511,226
10.00%	3,334,493
20.00%	2,333,945
30.00%	1,773,271
40.00%	1,417,045
50.00%	1,170,907
60.00%	990,482
70.00%	852,343
80.00%	743,001
90.00%	654,157
100.00%	580,430

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME

LEGEND OIL AND GAS LTD.

Year	Well Cnt	Gross Production OIL Unit	Gross Production GAS Unit	Gross Operating Costs	Working Interest	Revenue Interest	Net Production OIL Unit	Net Production GAS Unit	Average Prices OIL $/unit	Average Prices GAS $/unit
2013	49	6705.310592	0	100460			5866.521768	0	86.47	0.00
2014	49	12316.26773	0	143160			10776.60926	0	86.47	0.00
2015	49	11072.14096	0	143160			9687.748337	0	86.47	0.00
2016	49	9954.026861	0	143160			8710.273504	0	86.47	0.00
2017	49	8949.224175	0	143160			7830.946153	0	86.47	0.00
2018	49	8046.201758	0	143160			7040.551538	0	86.47	0.00
2019	49	6944.481582	0	121030			6076.796384	0	86.47	0.00
2020	40	6218.533424	0	118320			5441.216746	0	86.47	0.00
2021	40	5596.680081	0	118320			4897.095071	0	86.47	0.00
2022	40	5037.012073	0	118320			4407.385564	0	86.47	0.00
2023	40	4533.310866	0	118320			3966.647008	0	86.47	0.00
2024	40	4079.979779	0	118320			3569.982307	0	86.47	0.00
2025	40	3671.981801	0	118320			3212.984076	0	86.47	0.00
2026	40	3040.552254	0	98590.56727			2660.483222	0	86.47	0.00
2027	31	2674.896932	0	93480			2340.534816	0	86.47	0.00
2028	31	2407.407239	0	93480			2106.481334	0	86.47	0.00
2029	31	1789.460571	0	65173.85586			1565.778	0	86.47	0.00
2030	19	1506.166259	0	56745.57495			1317.895477	0	86.47	0.00
2031	16	1310.667227	0	52800			1146.833824	0	86.47	0.00
2032	16	1179.600505	0	52800			1032.150442	0	86.47	0.00
Rem	14	3,760	0.00	210,462	1.00	0.88	3,290	0.00	124.41	0.00
Total		98,944	0.00	2,035,792			86,576	0.00	99.90	0.00

Year	Gross Revenue OIL	Gross Revenue GAS	Production/ AD VAL TAX $ OIL	Production/ AD VAL TAX $ GAS	FGR After Production $ Taxes	Net Oper Costs	Purchase/ Devel Costs	Future Net Income Annual	Cumulative	Disc Net 10.00% Annual
2013	507300.9673	0	1278.201318	0	506022.766	100460	480000	-74437.23402	-74437.23402	-89304.10011
2014	931845.543	0	2348.038008	0	929497.505	143160	0	786337.505	711900.271	718334.1206
2015	837731.2887	0	2110.934208	0	835620.3545	143160	0	692460.3545	1404360.626	575382.0582
2016	753139.3599	0	1898.140787	0	751241.2191	143160	0	608081.2191	2012441.845	459623.6555
2017	677105.4239	0	1706.426708	0	675398.9972	143160	0	532238.9972	2544680.842	365988.9815
2018	608760.6815	0	1533.784037	0	607226.8974	143160	0	464066.8974	3008746.739	290344.53
2019	525458.0133	0	1324.405634	0	524133.6077	121030	0	403103.6077	3411851.347	229492.7558
2020	470502.012	0	1185.66507	0	469316.3469	118320	0	350996.3469	3762847.694	181787.6632
2021	423451.8108	0	1067.098563	0	422384.7122	118320	0	304064.7122	4066912.406	143284.1619
2022	381106.6297	0	960.3887069	0	380146.241	118320	0	261826.241	4328738.647	112276.8608
2023	342995.9668	0	864.3498362	0	342131.6169	118320	0	223811.6169	4552550.264	87357.76304
2024	308696.3701	0	777.9148526	0	307918.4552	118320	0	189598.4552	4742148.719	67378.96699
2025	277826.7331	0	700.1233673	0	277126.6097	118320	0	158806.6097	4900955.329	51405.00353
2026	230051.9842	0	579.7310003	0	229472.2532	98590.56727	0	130881.686	5031837.015	38615.25002
2027	202386.0455	0	510.0128347	0	201876.0327	93480	0	108396.0327	5140233.048	29128.4854
2028	182147.441	0	459.0115513	0	181688.4294	93480	0	88208.42942	5228441.477	21602.04657
2029	135392.8236	0	341.1899156	0	135051.6337	65173.85586	0	69877.77787	5298319.255	15613.23482
2030	113958.4219	0	287.1752231	0	113671.2466	56745.57495	0	56925.67168	5355244.927	11569.48723
2031	99166.72075	0	249.9001363	0	98916.82062	52800	0	46116.82062	5401361.747	8515.939887
2032	89250.04868	0	224.9101227	0	89025.13856	52800	0	36225.13856	5437586.886	6078.423852
Rem	298910.6845	0	753.254925	0	298157.4296	224517.9166	0	73639.513	0	10018.9931
Total	8397183.97	0	21160.6568	0	8376023.313	2384797.915	480000	5511226.399	0	3334494.282

SUMMARY OF MARKET VALUE

LEGEND OIL AND GAS LTD.

AS OF DECEMBER 31, 2012

PREPARED BY

KLH
CONSULTING

316·265·5800

Life	17.44 Years

Discount Rates	
0.00%	1,669,740
10.00%	1,157,421
20.00%	887,578
30.00%	725,194
40.00%	617,766
50.00%	541,655
60.00%	484,916
70.00%	440,947
80.00%	405,823
90.00%	377,076
100.00%	353,079

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME

PROVED DEVELOPED PRODUCING

LEGEND OIL AND GAS LTD.

Year	Well Cnt	Gross Production OIL Unit	Gross Production GAS Unit	Gross Operating Costs	Working Interest	Revenue Interest	Net Production OIL Unit	Net Production GAS Unit	Average Prices OIL $/unit	Average Prices GAS $/unit
2013	33	4968.136281	0	90360			4346.494246	0	86.47	0.00
2014	33	4457.222653	0	90360			3899.944821	0	86.47	0.00
2015	33	3999.000388	0	90360			3498.750339	0	86.47	0.00
2016	33	3588.200349	0	90360			3140.175305	0	86.47	0.00
2017	33	3219.980314	0	90360			2817.857775	0	86.47	0.00
2018	33	2889.882283	0	90360			2528.771997	0	86.47	0.00
2019	33	2303.794054	0	68230			2016.194798	0	86.47	0.00
2020	24	2041.914649	0	65520			1786.675318	0	86.47	0.00
2021	24	1837.723184	0	65520			1608.007786	0	86.47	0.00
2022	24	1653.950866	0	65520			1447.207007	0	86.47	0.00
2023	24	1488.555779	0	65520			1302.486307	0	86.47	0.00
2024	24	1339.700201	0	65520			1172.237676	0	86.47	0.00
2025	24	1205.730181	0	65520			1055.013908	0	86.47	0.00
2026	24	820.9257959	0	45790.56727			718.3100714	0	86.47	0.00
2027	15	677.23312	0	40680			592.57898	0	86.47	0.00
2028	15	609.509808	0	40680			533.321082	0	86.47	0.00
2029	15	171.3528831	0	12373.85586			149.9337727	0	86.47	0.00
2030	3	49.86933962	0	3945.574952			43.63567217	0	86.47	0.00
2031	0	0	0	0			0	0	86.47	0.00
2032	0	0	0	0			0	0	86.47	0.00
Rem	0	0	0.00	0	1.00	0.88	0	0.00	124.41	0.00
Total		34,169	0.00	995,230			29,898	0.00	99.90	0.00

Year	Gross Revenue OIL	Gross Revenue GAS	Production/ AD VAL TAX $ OIL	Production/ AD VAL TAX $ GAS	FGR After Production $ Taxes	Net Oper Costs	Purchase/ Devel Costs	Future Net Income Annual	Cumulative	Disc Net 10.00% Annual
2013	375864.1875	0	946.9806324	0	374917.2068	90360	0	284557.2068	284557.2068	271314.2538
2014	337220.3687	0	849.5825691	0	336370.7861	90360	0	246010.7861	530567.993	213238.856
2015	302568.6318	0	762.3243122	0	301806.3075	90360	0	211446.3075	742014.3005	166616.5459
2016	271492.9687	0	684.391881	0	270808.5768	90360	0	180448.5768	922462.8773	129264.8269
2017	243623.6718	0	614.0526929	0	243009.6191	90360	0	152649.6191	1075112.496	99409.65033
2018	218627.1046	0	550.6474236	0	218076.4572	90360	0	127716.4572	1202827.954	75610.76445
2019	174337.7941	0	439.5826813	0	173898.2115	68230	0	105668.2115	1308497.165	56871.12595
2020	154493.8147	0	389.3244131	0	154104.4903	65520	0	88584.49032	1397081.655	43342.3597
2021	139044.4333	0	350.3919718	0	138694.0413	65520	0	73174.04129	1470255.697	32547.61853
2022	125139.9899	0	315.3527746	0	124824.6372	65520	0	59304.63716	1529560.334	23980.49504
2023	112625.9909	0	283.8174972	0	112342.1734	65520	0	46822.17344	1576382.507	17211.8826
2024	101363.3918	0	255.4357475	0	101107.9561	65520	0	35587.9561	1611970.463	11892.88356
2025	91227.05266	0	229.8921727	0	90997.16049	65520	0	25477.16049	1637447.624	7740.026692
2026	62112.27188	0	156.5229251	0	61955.74895	45790.56727	0	16165.18168	1653612.806	4464.566955
2027	51240.3044	0	129.1255671	0	51111.17883	40680	0	10431.17883	1664043.984	2619.023867
2028	46116.27396	0	116.2130104	0	46000.06095	40680	0	5320.060947	1669364.045	1214.311164
2029	12964.77333	0	32.67122879	0	12932.1021	12373.85586	0	558.2462413	1669922.292	115.8367869
2030	3773.176573	0	9.508404963	0	3763.668168	3945.574952	0	-181.9067849	1669740.385	-34.31443937
2031	0	0	0	0	0	0	0	0	1669740.385	0
2032	0	0	0	0	0	0	0	0	1669740.385	0
Rem	0	0	0	0	0	0	0	0	0	0
Total	2823835.201	0	7115.817906	0	2816719.383	1146979.998	0	1669740.385	0	1157420.714

SUMMARY OF MARKET VALUE

LEGEND OIL AND GAS LTD.

AS OF DECEMBER 31, 2012

PREPARED BY

KLH
CONSULTING
316·265·5800

Life	25.8 Years

Discount Rates	
0.00%	3,841,486
10.00%	2,177,073
20.00%	1,446,367
30.00%	1,048,078
40.00%	799,279
50.00%	629,252
60.00%	505,566
70.00%	411,396
80.00%	337,178
90.00%	277,081
100.00%	227,352

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME

PROVED UNDEVELOPED

LEGEND OIL AND GAS LTD.

Year	Well Cnt	Gross Production OIL Unit	Gross Production GAS Unit	Gross Operating Costs	Working Interest	Revenue Interest	Net Production OIL Unit	Net Production GAS Unit	Average Prices OIL $/unit	Average Prices GAS $/unit
2013	16	1737.174311	0	10100			1520.027522	0	86.47	0.00
2014	16	7859.045077	0	52800			6876.664442	0	86.47	0.00
2015	16	7073.140569	0	52800			6188.997998	0	86.47	0.00
2016	16	6365.826512	0	52800			5570.098198	0	86.47	0.00
2017	16	5729.243861	0	52800			5013.088378	0	86.47	0.00
2018	16	5156.319475	0	52800			4511.779541	0	86.47	0.00
2019	16	4640.687527	0	52800			4060.601587	0	86.47	0.00
2020	16	4176.618775	0	52800			3654.541428	0	86.47	0.00
2021	16	3758.956897	0	52800			3289.087285	0	86.47	0.00
2022	16	3383.061208	0	52800			2960.178557	0	86.47	0.00
2023	16	3044.755087	0	52800			2664.160701	0	86.47	0.00
2024	16	2740.279578	0	52800			2397.744631	0	86.47	0.00
2025	16	2466.25162	0	52800			2157.970168	0	86.47	0.00
2026	16	2219.626458	0	52800			1942.173151	0	86.47	0.00
2027	16	1997.663812	0	52800			1747.955836	0	86.47	0.00
2028	16	1797.897431	0	52800			1573.160252	0	86.47	0.00
2029	16	1618.107688	0	52800			1415.844227	0	86.47	0.00
2030	16	1456.296919	0	52800			1274.259804	0	86.47	0.00
2031	16	1310.667227	0	52800			1146.833824	0	86.47	0.00
2032	16	1179.600505	0	52800			1032.150442	0	86.47	0.00
Rem	14	3,760	0.00	210,462	1.00	0.88	3,290	0.00	124.41	0.00
Total		64,775	0.00	1,040,562			56,678	0.00	99.90	0.00

Year	Gross Revenue OIL	Gross Revenue GAS	Production/ AD VAL TAX $ OIL	Production/ AD VAL TAX $ GAS	FGR After Production $ Taxes	Net Oper Costs	Purchase/ Devel Costs	Future Net Income Annual	Cumulative	Disc Net 10.00% Annual
2013	131436.7798	0	331.2206852	0	131105.5592	10100	480000	-358994.4408	-358994.4408	-360618.3539
2014	594625.1743	0	1498.455439	0	593126.7189	52800	0	540326.7189	181332.278	505095.2646
2015	535162.6569	0	1348.609895	0	533814.047	52800	0	481014.047	662346.325	408765.5123
2016	481646.3912	0	1213.748906	0	480432.6423	52800	0	427632.6423	1089978.967	330358.8286
2017	433481.7521	0	1092.374015	0	432389.3781	52800	0	379589.3781	1469568.345	266579.3312
2018	390133.5769	0	983.1366137	0	389150.4403	52800	0	336350.4403	1805918.786	214733.7656
2019	351120.2192	0	884.8229524	0	350235.3962	52800	0	297435.3962	2103354.182	172621.6298
2020	316008.1973	0	796.3406571	0	315211.8566	52800	0	262411.8566	2365766.039	138445.3035
2021	284407.3775	0	716.7065914	0	283690.671	52800	0	230890.671	2596656.709	110736.5434
2022	255966.6398	0	645.0359323	0	255321.6039	52800	0	202521.6039	2799178.313	88296.36573
2023	230369.9758	0	580.532339	0	229789.4435	52800	0	176989.4435	2976167.757	70145.88044
2024	207332.9782	0	522.4791051	0	206810.4991	52800	0	154010.4991	3130178.256	55486.08343
2025	186599.6804	0	470.2311946	0	186129.4492	52800	0	133329.4492	3263507.705	43664.97684
2026	167939.7124	0	423.2080752	0	167516.5043	52800	0	114716.5043	3378224.209	34150.68307
2027	151145.7411	0	380.8872676	0	150764.8539	52800	0	97964.85386	3476189.063	26509.46153
2028	136031.167	0	342.7985409	0	135688.3685	52800	0	82888.36847	3559077.432	20387.73541
2029	122428.0503	0	308.5186868	0	122119.5316	52800	0	69319.53163	3628396.963	15497.39803
2030	110185.2453	0	277.6668181	0	109907.5785	52800	0	57107.57846	3685504.542	11603.80167
2031	99166.72075	0	249.9001363	0	98916.82062	52800	0	46116.82062	3731621.362	8515.939887
2032	89250.04868	0	224.9101227	0	89025.13856	52800	0	36225.13856	3767846.501	6078.423852
Rem	298910.6845	0	753.254925	0	298157.4296	224517.9166	0	73639.513	0	10018.9931
Total	5573348.77	0	14044.8389	0	5559303.931	1237817.917	480000	3841486.014	0	2177073.568

Lease Name:	BENNETT - PROVED DEVELOPED PRODUCING				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	$0.00	($/unit)
Oil Rate	2.04	(Unit/d)	Flat Period	0	months
Oil Decline	12.00%	(per YR)	Escalation	0	fraction
Gas Rate	0.00	(Unit/d)	Max Price	$0.00	($/unit)
Gas Decline	0.00%	(per YR)	Oil Price	$86.47	($/unit)
Init WI	1.00000	(Fraction)	Flat Period	0	months
Init RI	0.87500	(Fraction)	Escalation	0	fraction
PO-net rev	$0	$	Max Price	$86.47	($/unit)
APO WI	1.00000	(Fraction)	Operating Costs	$230	($/MO/WELL)
APO RI	0.87500	(Fraction)	Flat Period	0	months
Oil Tax	0.0025	(Fraction)	Escalation	0	fraction
Gas Tax	0.0000	(Fraction)	Max Oper Cost	$230	($/MO/Well)
Pur-Dev Cost	$0	(GROSS)	Prod Start Date	201301	(YR MO)
Pur-Dev Cost	$0	(NET)	Eff. Date	201301	(YR MO)
Init Well Ct	9		Econ. Limit	y	(Y or N)
Risk Fctr	1	(Fraction)	Royality Lease	n	(Y or N)

Life	6.11	years

Discount Rates	
0.00%	86,240
10.00%	71,972
20.00%	61,912
30.00%	54,502
40.00%	48,844
50.00%	44,396
60.00%	40,813
70.00%	37,867
80.00%	35,402
90.00%	33,309
100.00%	31,509

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
BENNETT - PROVED DEVELOPED PRODUCING
LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	9	699	0	24,840	1.00000	0.87500	611	0	86.47	0.00
2014	9	615	0	24,840	1.00000	0.87500	538	0	86.47	0.00
2015	9	541	0	24,840	1.00000	0.87500	473	0	86.47	0.00
2016	9	476	0	24,840	1.00000	0.87500	417	0	86.47	0.00
2017	9	419	0	24,840	1.00000	0.87500	367	0	86.47	0.00
2018	9	369	0	24,840	1.00000	0.87500	323	0	86.47	0.00
2019	9	35	0	2,710	1.00000	0.87500	31	0	86.47	0.00
2020	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2021	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2022	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2023	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2024	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2025	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2026	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2027	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2028	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2029	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2030	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2031	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2032	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Rem	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Total		3,153	0	151,750			2,759	0	86.47	0.00

	Gross Revenue		Production/ AD VAL TAX		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS			Production	Oper	Devel	Income		10.00%
			$ OIL	$ GAS	$ Taxes	Costs	Costs	Annual	Cumulative	Annual
2013	52,856	0	133	0	52,723	24,840	0	27,883	27,883	26,585
2014	46,513	0	117	0	46,396	24,840	0	21,556	49,439	18,685
2015	40,932	0	103	0	40,829	24,840	0	15,989	65,428	12,599
2016	36,020	0	91	0	35,929	24,840	0	11,089	76,517	7,944
2017	31,698	0	80	0	31,618	24,840	0	6,778	83,295	4,414
2018	27,894	0	70	0	27,824	24,840	0	2,984	86,278	1,766
2019	2,678	0	7	0	2,671	2,710	0	(39)	86,240	(21)
2020	0	0	0	0	0	0	0	0	86,240	0
2021	0	0	0	0	0	0	0	0	86,240	0
2022	0	0	0	0	0	0	0	0	86,240	0
2023	0	0	0	0	0	0	0	0	86,240	0
2024	0	0	0	0	0	0	0	0	86,240	0
2025	0	0	0	0	0	0	0	0	86,240	0
2026	0	0	0	0	0	0	0	0	86,240	0
2027	0	0	0	0	0	0	0	0	86,240	0
2028	0	0	0	0	0	0	0	0	86,240	0
2029	0	0	0	0	0	0	0	0	86,240	0
2030	0	0	0	0	0	0	0	0	86,240	0
2031	0	0	0	0	0	0	0	0	86,240	0
2032	0	0	0	0	0	0	0	0	86,240	0
Rem	0	0	0	0	0	0	0	0		0
Total	238,590	0	601	0	237,989	151,750	0	86,240		71,972

Lease Name:	BENNETT - PROVED UNDEVELOPED				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	$0.00	($/unit)
Oil Rate	2.90	(Unit/d)	Flat Period	0	months
Oil Decline	10.00%	(per YR)	Escalation	0	fraction
Gas Rate	0.00	(Unit/d)	Max Price	$0.00	($/unit)
Gas Decline	0.00%	(per YR)	Oil Price	$86.47	($/unit)
Init WI	1.00000	(Fraction)	Flat Period	0	months
Init RI	0.87500	(Fraction)	Escalation	0	fraction
PO-net rev	$0	$	Max Price	$86.47	($/unit)
APO WI	1.00000	(Fraction)	Operating Costs	$230	($/MO/WELL)
APO RI	0.87500	(Fraction)	Flat Period	0	months
Oil Tax	0.0025	(Fraction)	Escalation	0	fraction
Gas Tax	0.0000	(Fraction)	Max Oper Cost	$230	($/MO/Well)
Pur-Dev Cost	$0	(GROSS)	Prod Start Date	201312	(YR MO)
Pur-Dev Cost	$0	(NET)	Eff. Date	201312	(YR MO)
Init Well Ct	2		Econ. Limit	y	(Y or N)
Risk Fctr	1	(Fraction)	Royality Lease	n	(Y or N)

Life	25.30	years

Discount Rates	
0.00%	505,383
10.00%	282,215
20.00%	186,601
30.00%	135,066
40.00%	103,047
50.00%	81,227
60.00%	65,379
70.00%	53,323
80.00%	43,826
90.00%	36,137
100.00%	29,775

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
BENNETT - PROVED UNDEVELOPED
LEGEND OIL AND GAS LTD.

Year	Well Cnt	Gross Production OIL Unit	Gross Production GAS Unit	Gross Operating Costs	Working Interest	Revenue Interest	Net Production OIL Unit	Net Production GAS Unit	Average Prices OIL $/unit	Average Prices GAS $/unit
2013	2	88	0	460	1.00000	0.87500	77	0	86.47	0.00
2014	2	995	0	5,520	1.00000	0.87500	871	0	86.47	0.00
2015	2	896	0	5,520	1.00000	0.87500	784	0	86.47	0.00
2016	2	806	0	5,520	1.00000	0.87500	705	0	86.47	0.00
2017	2	726	0	5,520	1.00000	0.87500	635	0	86.47	0.00
2018	2	653	0	5,520	1.00000	0.87500	571	0	86.47	0.00
2019	2	588	0	5,520	1.00000	0.87500	514	0	86.47	0.00
2020	2	529	0	5,520	1.00000	0.87500	463	0	86.47	0.00
2021	2	476	0	5,520	1.00000	0.87500	417	0	86.47	0.00
2022	2	428	0	5,520	1.00000	0.87500	375	0	86.47	0.00
2023	2	386	0	5,520	1.00000	0.87500	337	0	86.47	0.00
2024	2	347	0	5,520	1.00000	0.87500	304	0	86.47	0.00
2025	2	312	0	5,520	1.00000	0.87500	273	0	86.47	0.00
2026	2	281	0	5,520	1.00000	0.87500	246	0	86.47	0.00
2027	2	253	0	5,520	1.00000	0.87500	221	0	86.47	0.00
2028	2	228	0	5,520	1.00000	0.87500	199	0	86.47	0.00
2029	2	205	0	5,520	1.00000	0.87500	179	0	86.47	0.00
2030	2	184	0	5,520	1.00000	0.87500	161	0	86.47	0.00
2031	2	166	0	5,520	1.00000	0.87500	145	0	86.47	0.00
2032	2	149	0	5,520	1.00000	0.87500	131	0	86.47	0.00
Rem	2	645	0	34,312	1.00000	0.87500	565	0	86.47	0.00
Total		9,342	0	139,652			8,174	0	86.47	0.00

Year	Gross Revenue OIL	Gross Revenue GAS	Production/ AD VAL TAX $ OIL	Production/ AD VAL TAX $ GAS	FGR After Production $ Taxes	Net Oper Costs	Purchase/ Devel Costs	Future Net Income Annual	Cumulative	Disc Net 10.00% Annual
2013	6,641	0	17	0	6,624	460	60,000	(53,836)	(53,836)	(53,860)
2014	75,307	0	190	0	75,117	5,520	0	69,597	15,762	65,833
2015	67,776	0	171	0	67,606	5,520	0	62,086	77,847	53,389
2016	60,999	0	154	0	60,845	5,520	0	55,325	133,172	43,250
2017	54,899	0	138	0	54,760	5,520	0	49,240	182,412	34,994
2018	49,409	0	125	0	49,284	5,520	0	43,764	226,177	28,275
2019	44,468	0	112	0	44,356	5,520	0	38,836	265,013	22,810
2020	40,021	0	101	0	39,920	5,520	0	34,400	299,413	18,368
2021	36,019	0	91	0	35,928	5,520	0	30,408	329,822	14,760
2022	32,417	0	82	0	32,336	5,520	0	26,816	356,637	11,833
2023	29,175	0	74	0	29,102	5,520	0	23,582	380,219	9,460
2024	26,258	0	66	0	26,192	5,520	0	20,672	400,891	7,539
2025	23,632	0	60	0	23,573	5,520	0	18,053	418,943	5,985
2026	21,269	0	54	0	21,215	5,520	0	15,695	434,639	4,731
2027	19,142	0	48	0	19,094	5,520	0	13,574	448,212	3,719
2028	17,228	0	43	0	17,184	5,520	0	11,664	459,877	2,905
2029	15,505	0	39	0	15,466	5,520	0	9,946	469,823	2,252
2030	13,955	0	35	0	13,919	5,520	0	8,399	478,222	1,729
2031	12,559	0	32	0	12,527	5,520	0	7,007	485,230	1,311
2032	11,303	0	28	0	11,275	5,520	0	5,755	490,984	979
Rem	48,833	0	123	0	48,710	34,312	0	14,398		1,950
Total	706,815	0	1,781	0	705,034	139,652	60,000	505,383		282,215

Lease Name:	JOHN ELLIS - PROVED DEVELOPED PRODUCING				
Company:	**LEGEND OIL AND GAS LTD.**				
January 24, 2013			Gas Price	**$0.00**	($/unit)
Oil Rate	**3.78**	(Unit/d)	Flat Period	**0**	months
Oil Decline	**10.00%**	(per YR)	Escalation	**0**	fraction
Gas Rate	**0.00**	(Unit/d)	Max Price	**$0.00**	($/unit)
Gas Decline	**0.00%**	(per YR)	Oil Price	**$86.47**	($/unit)
Init WI	**1.00000**	(Fraction)	Flat Period	**0**	months
Init RI	**0.87500**	(Fraction)	Escalation	**0**	fraction
PO-net rev	**$0**	$	Max Price	**$86.47**	($/unit)
APO WI	**1.00000**	(Fraction)	Operating Costs	**$230**	($/MO/WELL)
APO RI	**0.87500**	(Fraction)	Flat Period	**0**	months
Oil Tax	**0.0025**	(Fraction)	Escalation	**0**	fraction
Gas Tax	**0.0000**	(Fraction)	Max Oper Cost	**$230**	($/MO/Well)
Pur-Dev Cost	**$0**	(GROSS)	Prod Start Date	**201301**	(YR MO)
Pur-Dev Cost	**$0**	(NET)	Eff. Date	**201301**	(YR MO)
Init Well Ct	**9**		Econ. Limit	**y**	(Y or N)
Risk Fctr	**1**	(Fraction)	Royality Lease	**n**	(Y or N)

Life	13.21	years

Discount Rates	
0.00%	413,811
10.00%	294,797
20.00%	228,773
30.00%	187,901
40.00%	160,444
50.00%	140,828
60.00%	126,136
70.00%	114,721
80.00%	105,589
90.00%	98,109
100.00%	91,861

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
JOHN ELLIS - PROVED DEVELOPED PRODUCING
LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	9	1,309	0	24,840	1.00000	0.87500	1,145	0	86.47	0.00
2014	9	1,178	0	24,840	1.00000	0.87500	1,031	0	86.47	0.00
2015	9	1,060	0	24,840	1.00000	0.87500	928	0	86.47	0.00
2016	9	954	0	24,840	1.00000	0.87500	835	0	86.47	0.00
2017	9	859	0	24,840	1.00000	0.87500	751	0	86.47	0.00
2018	9	773	0	24,840	1.00000	0.87500	676	0	86.47	0.00
2019	9	696	0	24,840	1.00000	0.87500	609	0	86.47	0.00
2020	9	626	0	24,840	1.00000	0.87500	548	0	86.47	0.00
2021	9	563	0	24,840	1.00000	0.87500	493	0	86.47	0.00
2022	9	507	0	24,840	1.00000	0.87500	444	0	86.47	0.00
2023	9	456	0	24,840	1.00000	0.87500	399	0	86.47	0.00
2024	9	411	0	24,840	1.00000	0.87500	359	0	86.47	0.00
2025	9	370	0	24,840	1.00000	0.87500	323	0	86.47	0.00
2026	9	68	0	5,111	1.00000	0.87500	60	0	86.47	0.00
2027	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2028	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2029	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2030	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2031	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2032	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Rem	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Total		9,830	0	328,031			8,601	0	86.47	0.00

	Gross Revenue		Production/		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS	AD VAL TAX		Production	Oper	Devel	Income		10.00%
			$ OIL	$ GAS	$ Taxes	Costs	Costs	Annual	Cumulative	Annual
2013	99,024	0	250	0	98,775	24,840	0	73,935	73,935	70,494
2014	89,122	0	225	0	88,897	24,840	0	64,057	137,992	55,524
2015	80,210	0	202	0	80,008	24,840	0	55,168	193,160	43,471
2016	72,189	0	182	0	72,007	24,840	0	47,167	240,327	33,788
2017	64,970	0	164	0	64,806	24,840	0	39,966	280,293	26,027
2018	58,473	0	147	0	58,326	24,840	0	33,486	313,779	19,824
2019	52,626	0	133	0	52,493	24,840	0	27,653	341,432	14,883
2020	47,363	0	119	0	47,244	24,840	0	22,404	363,835	10,962
2021	42,627	0	107	0	42,519	24,840	0	17,679	381,515	7,864
2022	38,364	0	97	0	38,267	24,840	0	13,427	394,942	5,430
2023	34,528	0	87	0	34,441	24,840	0	9,601	404,543	3,529
2024	31,075	0	78	0	30,997	24,840	0	6,157	410,699	2,057
2025	27,967	0	70	0	27,897	24,840	0	3,057	413,756	929
2026	5,179	0	13	0	5,166	5,111	0	55	413,811	15
2027	0	0	0	0	0	0	0	0	413,811	0
2028	0	0	0	0	0	0	0	0	413,811	0
2029	0	0	0	0	0	0	0	0	413,811	0
2030	0	0	0	0	0	0	0	0	413,811	0
2031	0	0	0	0	0	0	0	0	413,811	0
2032	0	0	0	0	0	0	0	0	413,811	0
Rem	0	0	0	0	0	0	0	0		0
Total	743,716	0	1,874	0	741,842	328,031	0	413,811		294,797

Lease Name:	**JOHN ELLIS - PROVED UNDEVELOPED**				
Company:	**LEGEND OIL AND GAS LTD.**				
January 24, 2013			Gas Price	**$0.00**	($/unit)
Oil Rate	**2.90**	(Unit/d)	Flat Period	**0**	months
Oil Decline	**10.00%**	(per YR)	Escalation	**0**	fraction
Gas Rate	**0.00**	(Unit/d)	Max Price	**$0.00**	($/unit)
Gas Decline	**0.00%**	(per YR)	Oil Price	**$86.47**	($/unit)
Init WI	**1.00000**	(Fraction)	Flat Period	**0**	months
Init RI	**0.87500**	(Fraction)	Escalation	**0**	fraction
PO-net rev	**$0**	$	Max Price	**$180.00**	($/unit)
APO WI	**1.00000**	(Fraction)	Operating Costs	**$230**	($/MO/WELL)
APO RI	**0.87500**	(Fraction)	Flat Period	**0**	months
Oil Tax	**0.0025**	(Fraction)	Escalation	**0**	fraction
Gas Tax	**0.0000**	(Fraction)	Max Oper Cost	**$480**	($/MO/Well)
Pur-Dev Cost	**$0**	(GROSS)	Prod Start Date	**201309**	(YR MO)
Pur-Dev Cost	**$0**	(NET)	Eff. Date	**201309**	(YR MO)
Init Well Ct	**2**		Econ. Limit	**y**	(Y or N)
Risk Fctr	**1**	(Fraction)	Royality Lease	**n**	(Y or N)

Life	25.80	years

Discount Rates	
0.00%	505,308
10.00%	282,228
20.00%	186,647
30.00%	135,144
40.00%	103,160
50.00%	81,378
60.00%	65,568
70.00%	53,552
80.00%	44,094
90.00%	36,445
100.00%	30,122

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
JOHN ELLIS - PROVED UNDEVELOPED
LEGEND OIL AND GAS LTD.

Year	Well Cnt	Gross Production OIL Unit	Gross Production GAS Unit	Gross Operating Costs	Working Interest	Revenue Interest	Net Production OIL Unit	Net Production GAS Unit	Average Prices OIL $/unit	Average Prices GAS $/unit
2013	2	347	0	1,840	1.00000	0.87500	303	0	86.47	0.00
2014	2	969	0	5,520	1.00000	0.87500	848	0	86.47	0.00
2015	2	872	0	5,520	1.00000	0.87500	763	0	86.47	0.00
2016	2	785	0	5,520	1.00000	0.87500	687	0	86.47	0.00
2017	2	707	0	5,520	1.00000	0.87500	618	0	86.47	0.00
2018	2	636	0	5,520	1.00000	0.87500	557	0	86.47	0.00
2019	2	572	0	5,520	1.00000	0.87500	501	0	86.47	0.00
2020	2	515	0	5,520	1.00000	0.87500	451	0	86.47	0.00
2021	2	464	0	5,520	1.00000	0.87500	406	0	86.47	0.00
2022	2	417	0	5,520	1.00000	0.87500	365	0	86.47	0.00
2023	2	376	0	5,520	1.00000	0.87500	329	0	86.47	0.00
2024	2	338	0	5,520	1.00000	0.87500	296	0	86.47	0.00
2025	2	304	0	5,520	1.00000	0.87500	266	0	86.47	0.00
2026	2	274	0	5,520	1.00000	0.87500	240	0	86.47	0.00
2027	2	246	0	5,520	1.00000	0.87500	216	0	86.47	0.00
2028	2	222	0	5,520	1.00000	0.87500	194	0	86.47	0.00
2029	2	200	0	5,520	1.00000	0.87500	175	0	86.47	0.00
2030	2	180	0	5,520	1.00000	0.87500	157	0	86.47	0.00
2031	2	162	0	5,520	1.00000	0.87500	141	0	86.47	0.00
2032	2	146	0	5,520	1.00000	0.87500	127	0	86.47	0.00
Rem	2	646	0	35,669	1.00000	0.87500	565	0	86.47	0.00
Total		9,377	0	142,389			8,205	0	86.47	0.00

Year	Gross Revenue OIL	Gross Revenue GAS	Production/ AD VAL TAX $ OIL	Production/ AD VAL TAX $ GAS	FGR After Production $ Taxes	Net Oper Costs	Purchase/ Devel Costs	Future Net Income Annual	Cumulative	Disc Net 10.00% Annual
2013	26,218	0	66	0	26,152	1,840	60,000	(35,688)	(35,688)	(36,071)
2014	73,349	0	185	0	73,164	5,520	0	67,644	31,956	62,480
2015	66,014	0	166	0	65,848	5,520	0	60,328	92,284	50,656
2016	59,413	0	150	0	59,263	5,520	0	53,743	146,028	41,025
2017	53,472	0	135	0	53,337	5,520	0	47,817	193,845	33,183
2018	48,124	0	121	0	48,003	5,520	0	42,483	236,328	26,801
2019	43,312	0	109	0	43,203	5,520	0	37,683	274,011	21,612
2020	38,981	0	98	0	38,883	5,520	0	33,363	307,373	17,394
2021	35,083	0	88	0	34,994	5,520	0	29,474	336,848	13,970
2022	31,574	0	80	0	31,495	5,520	0	25,975	362,822	11,192
2023	28,417	0	72	0	28,345	5,520	0	22,825	385,648	8,941
2024	25,575	0	64	0	25,511	5,520	0	19,991	405,639	7,119
2025	23,018	0	58	0	22,960	5,520	0	17,440	423,079	5,646
2026	20,716	0	52	0	20,664	5,520	0	15,144	438,222	4,457
2027	18,644	0	47	0	18,597	5,520	0	13,077	451,300	3,499
2028	16,780	0	42	0	16,738	5,520	0	11,218	462,517	2,728
2029	15,102	0	38	0	15,064	5,520	0	9,544	472,061	2,110
2030	13,592	0	34	0	13,558	5,520	0	8,038	480,099	1,616
2031	12,233	0	31	0	12,202	5,520	0	6,682	486,781	1,221
2032	11,009	0	28	0	10,982	5,520	0	5,462	492,242	907
Rem	48,859	0	123	0	48,735	35,669	0	13,066		1,742
Total	709,486	0	1,788	0	707,698	142,389	60,000	505,308		282,228

Lease Name:	ORTH - PROVED DEVELOPED PRODUCING				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	$0.00	($/unit)
Oil Rate	0.36	(Unit/d)	Flat Period	0	months
Oil Decline	23.00%	(per YR)	Escalation	0	fraction
Gas Rate	0.00	(Unit/d)	Max Price	$0.00	($/unit)
Gas Decline	0.00%	(per YR)	Oil Price	$86.47	($/unit)
Init WI	1.00000	(Fraction)	Flat Period	0	months
Init RI	0.87500	(Fraction)	Escalation	0	fraction
PO-net rev	$0	$	Max Price	$86.47	($/unit)
APO WI	1.00000	(Fraction)	Operating Costs	$310	($/MO/WELL)
APO RI	0.87500	(Fraction)	Flat Period	0	months
Oil Tax	0.0025	(Fraction)	Escalation	0	fraction
Gas Tax	0.0000	(Fraction)	Max Oper Cost	$310	($/MO/Well)
Pur-Dev Cost	$0	(GROSS)	Prod Start Date	201301	(YR MO)
Pur-Dev Cost	$0	(NET)	Eff. Date	201301	(YR MO)
Init Well Ct	6		Econ. Limit	y	(Y or N)
Risk Fctr	1	(Fraction)	Royality Lease	n	(Y or N)

Life	0.00	years

Discount Rates	
0.00%	0
10.00%	0
20.00%	0
30.00%	0
40.00%	0
50.00%	0
60.00%	0
70.00%	0
80.00%	0
90.00%	0
100.00%	0

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
ORTH - PROVED DEVELOPED PRODUCING
LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
Year	Well Cnt	OIL Unit	GAS Unit	Operating Costs	Working Interest	Revenue Interest	OIL Unit	GAS Unit	OIL $/unit	GAS $/unit
2013	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2014	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2015	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2016	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2017	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2018	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2019	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2020	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2021	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2022	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2023	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2024	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2025	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2026	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2027	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2028	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2029	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2030	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2031	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2032	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Rem	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Total		0	0	0			0	0	0.00	0.00

	Gross Revenue		Production/ AD VAL TAX		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS	$ OIL	$ GAS	Production $ Taxes	Oper Costs	Devel Costs	Income Annual	Cumulative	10.00% Annual
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0	0	0
2026	0	0	0	0	0	0	0	0	0	0
2027	0	0	0	0	0	0	0	0	0	0
2028	0	0	0	0	0	0	0	0	0	0
2029	0	0	0	0	0	0	0	0	0	0
2030	0	0	0	0	0	0	0	0	0	0
2031	0	0	0	0	0	0	0	0	0	0
2032	0	0	0	0	0	0	0	0	0	0
Rem	0	0	0	0	0	0	0	0		0
Total	0	0	0	0	0	0	0	0		0

Lease Name:	**ORTH - PROVED UNDEVELOPED**				
Company:	**LEGEND OIL AND GAS LTD.**				
January 24, 2013			Gas Price	**$0.00**	($/unit)
Oil Rate	**5.80**	(Unit/d)	Flat Period	**0**	months
Oil Decline	**10.00%**	(per YR)	Escalation	**0**	fraction
Gas Rate	**0.00**	(Unit/d)	Max Price	**$0.00**	($/unit)
Gas Decline	**0.00%**	(per YR)	Oil Price	**$86.47**	($/unit)
Init WI	**1.00000**	(Fraction)	Flat Period	**0**	months
Init RI	**0.87500**	(Fraction)	Escalation	**0**	fraction
PO-net rev	**$0**	$	Max Price	**$86.47**	($/unit)
APO WI	**1.00000**	(Fraction)	Operating Costs	**$310**	($/MO/WELL)
APO RI	**0.87500**	(Fraction)	Flat Period	**0**	months
Oil Tax	**0.0025**	(Fraction)	Escalation	**0**	fraction
Gas Tax	**0.0000**	(Fraction)	Max Oper Cost	**$310**	($/MO/Well)
Pur-Dev Cost	**$0**	(GROSS)	Prod Start Date	**201312**	(YR MO)
Pur-Dev Cost	**$0**	(NET)	Eff. Date	**201312**	(YR MO)
Init Well Ct	**4**		Econ. Limit	**y**	(Y or N)
Risk Fctr	**1**	(Fraction)	Royality Lease	**n**	(Y or N)

Life	22.14	years

Discount Rates	
0.00%	919,042
10.00%	528,300
20.00%	352,443
30.00%	255,565
40.00%	194,738
50.00%	153,047
60.00%	122,660
70.00%	99,490
80.00%	81,207
90.00%	66,388
100.00%	54,113

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
ORTH - PROVED UNDEVELOPED
LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	4	176	0	1,240	1.00000	0.87500	154	0	86.47	0.00
2014	4	1,991	0	14,880	1.00000	0.87500	1,742	0	86.47	0.00
2015	4	1,792	0	14,880	1.00000	0.87500	1,568	0	86.47	0.00
2016	4	1,612	0	14,880	1.00000	0.87500	1,411	0	86.47	0.00
2017	4	1,451	0	14,880	1.00000	0.87500	1,270	0	86.47	0.00
2018	4	1,306	0	14,880	1.00000	0.87500	1,143	0	86.47	0.00
2019	4	1,175	0	14,880	1.00000	0.87500	1,029	0	86.47	0.00
2020	4	1,058	0	14,880	1.00000	0.87500	926	0	86.47	0.00
2021	4	952	0	14,880	1.00000	0.87500	833	0	86.47	0.00
2022	4	857	0	14,880	1.00000	0.87500	750	0	86.47	0.00
2023	4	771	0	14,880	1.00000	0.87500	675	0	86.47	0.00
2024	4	694	0	14,880	1.00000	0.87500	607	0	86.47	0.00
2025	4	625	0	14,880	1.00000	0.87500	547	0	86.47	0.00
2026	4	562	0	14,880	1.00000	0.87500	492	0	86.47	0.00
2027	4	506	0	14,880	1.00000	0.87500	443	0	86.47	0.00
2028	4	455	0	14,880	1.00000	0.87500	398	0	86.47	0.00
2029	4	410	0	14,880	1.00000	0.87500	359	0	86.47	0.00
2030	4	369	0	14,880	1.00000	0.87500	323	0	86.47	0.00
2031	4	332	0	14,880	1.00000	0.87500	290	0	86.47	0.00
2032	4	299	0	14,880	1.00000	0.87500	261	0	86.47	0.00
Rem	4	740	0	45,461	1.00000	0.87500	647	0	86.47	0.00
Total		18,132	0	329,421			15,866	0	86.47	0.00

	Gross Revenue		Production/ AD VAL TAX		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS			Production	Oper	Devel	Income		10.00%
			$ OIL	$ GAS	$ Taxes	Costs	Costs	Annual	Cumulative	Annual
2013	13,282	0	33	0	13,249	1,240	120,000	(107,991)	(107,991)	(108,039)
2014	150,614	0	380	0	150,234	14,880	0	135,354	27,363	128,034
2015	135,553	0	342	0	135,211	14,880	0	120,331	147,694	103,476
2016	121,997	0	307	0	121,690	14,880	0	106,810	254,504	83,499
2017	109,798	0	277	0	109,521	14,880	0	94,641	349,145	67,260
2018	98,818	0	249	0	98,569	14,880	0	83,689	432,834	54,069
2019	88,936	0	224	0	88,712	14,880	0	73,832	506,666	43,365
2020	80,042	0	202	0	79,841	14,880	0	64,961	571,626	34,686
2021	72,038	0	182	0	71,857	14,880	0	56,977	628,603	27,657
2022	64,834	0	163	0	64,671	14,880	0	49,791	678,394	21,972
2023	58,351	0	147	0	58,204	14,880	0	43,324	721,718	17,380
2024	52,516	0	132	0	52,384	14,880	0	37,504	759,222	13,677
2025	47,264	0	119	0	47,145	14,880	0	32,265	791,487	10,697
2026	42,538	0	107	0	42,431	14,880	0	27,551	819,037	8,304
2027	38,284	0	96	0	38,188	14,880	0	23,308	842,345	6,386
2028	34,456	0	87	0	34,369	14,880	0	19,489	861,834	4,854
2029	31,010	0	78	0	30,932	14,880	0	16,052	877,886	3,635
2030	27,909	0	70	0	27,839	14,880	0	12,959	890,844	2,668
2031	25,118	0	63	0	25,055	14,880	0	10,175	901,019	1,904
2032	22,606	0	57	0	22,549	14,880	0	7,669	908,689	1,305
Rem	55,955	0	141	0	55,814	45,461	0	10,353		1,512
Total	1,371,920	0	3,457	0	1,368,463	329,421	120,000	919,042		528,300

Lease Name:	ORTH / CRESS - PROVED DEVELOPED PRODUCING				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	$0.00	($/unit)
Oil Rate	1.97	(Unit/d)	Flat Period	0	months
Oil Decline	10.00%	(per YR)	Escalation	0	fraction
Gas Rate	0.00	(Unit/d)	Max Price	$0.00	($/unit)
Gas Decline	0.00%	(per YR)	Oil Price	$86.47	($/unit)
Init WI	1.00000	(Fraction)	Flat Period	0	months
Init RI	0.87500	(Fraction)	Escalation	0	fraction
PO-net rev	$0	$	Max Price	$86.47	($/unit)
APO WI	1.00000	(Fraction)	Operating Costs	$250	($/MO/WELL)
APO RI	0.87500	(Fraction)	Flat Period	0	months
Oil Tax	0.0025	(Fraction)	Escalation	0	fraction
Gas Tax	0.0000	(Fraction)	Max Oper Cost	$250	($/MO/Well)
Pur-Dev Cost	$0	(GROSS)	Prod Start Date	201301	(YR MO)
Pur-Dev Cost	$0	(NET)	Eff. Date	201301	(YR MO)
Init Well Ct	3		Econ. Limit	y	(Y or N)
Risk Fctr	1	(Fraction)	Royality Lease	n	(Y or N)

Life	17.44	years

Discount Rates	
0.00%	275,747
10.00%	185,293
20.00%	139,477
30.00%	112,640
40.00%	95,217
50.00%	83,038
60.00%	74,049
70.00%	67,135
80.00%	61,645
90.00%	57,173
100.00%	53,455

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME

ORTH / CRESS - PROVED DEVELOPED PRODUCING

LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	3	682	0	9,000	1.00000	0.87500	597	0	86.47	0.00
2014	3	614	0	9,000	1.00000	0.87500	537	0	86.47	0.00
2015	3	552	0	9,000	1.00000	0.87500	483	0	86.47	0.00
2016	3	497	0	9,000	1.00000	0.87500	435	0	86.47	0.00
2017	3	448	0	9,000	1.00000	0.87500	392	0	86.47	0.00
2018	3	403	0	9,000	1.00000	0.87500	352	0	86.47	0.00
2019	3	362	0	9,000	1.00000	0.87500	317	0	86.47	0.00
2020	3	326	0	9,000	1.00000	0.87500	285	0	86.47	0.00
2021	3	294	0	9,000	1.00000	0.87500	257	0	86.47	0.00
2022	3	264	0	9,000	1.00000	0.87500	231	0	86.47	0.00
2023	3	238	0	9,000	1.00000	0.87500	208	0	86.47	0.00
2024	3	214	0	9,000	1.00000	0.87500	187	0	86.47	0.00
2025	3	193	0	9,000	1.00000	0.87500	169	0	86.47	0.00
2026	3	173	0	9,000	1.00000	0.87500	152	0	86.47	0.00
2027	3	156	0	9,000	1.00000	0.87500	137	0	86.47	0.00
2028	3	140	0	9,000	1.00000	0.87500	123	0	86.47	0.00
2029	3	126	0	9,000	1.00000	0.87500	111	0	86.47	0.00
2030	3	50	0	3,946	1.00000	0.87500	44	0	86.47	0.00
2031	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2032	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Rem	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Total		5,733	0	156,946			5,017	0	86.47	0.00

	Gross Revenue		Production/		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS	AD VAL TAX		Production	Oper	Devel	Income		10.00%
			$ OIL	$ GAS	$ Taxes	Costs	Costs	Annual	Cumulative	Annual
2013	51,608	0	130	0	51,478	9,000	0	42,478	42,478	40,501
2014	46,447	0	117	0	46,330	9,000	0	37,330	79,808	32,357
2015	41,802	0	105	0	41,697	9,000	0	32,697	112,505	25,765
2016	37,622	0	95	0	37,527	9,000	0	28,527	141,033	20,436
2017	33,860	0	85	0	33,775	9,000	0	24,775	165,807	16,134
2018	30,474	0	77	0	30,397	9,000	0	21,397	187,204	12,668
2019	27,427	0	69	0	27,357	9,000	0	18,357	205,562	9,880
2020	24,684	0	62	0	24,622	9,000	0	15,622	221,184	7,643
2021	22,216	0	56	0	22,160	9,000	0	13,160	234,343	5,853
2022	19,994	0	50	0	19,944	9,000	0	10,944	245,287	4,425
2023	17,995	0	45	0	17,949	9,000	0	8,949	254,236	3,290
2024	16,195	0	41	0	16,154	9,000	0	7,154	261,390	2,391
2025	14,576	0	37	0	14,539	9,000	0	5,539	266,929	1,683
2026	13,118	0	33	0	13,085	9,000	0	4,085	271,014	1,128
2027	11,806	0	30	0	11,776	9,000	0	2,776	273,791	697
2028	10,626	0	27	0	10,599	9,000	0	1,599	275,389	365
2029	9,563	0	24	0	9,539	9,000	0	539	275,928	112
2030	3,773	0	10	0	3,764	3,946	0	(182)	275,747	(34)
2031	0	0	0	0	0	0	0	0	275,747	0
2032	0	0	0	0	0	0	0	0	275,747	0
Rem	0	0	0	0	0	0	0	0		0
Total	433,785	0	1,093	0	432,692	156,946	0	275,747		185,293

Lease Name:	ORTH / CRESS - PROVED UNDEVELOPED				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	$0.00	($/unit)
Oil Rate	5.80	(Unit/d)	Flat Period	0	months
Oil Decline	10.00%	(per YR)	Escalation	0	fraction
Gas Rate	0.00	(Unit/d)	Max Price	$0.00	($/unit)
Gas Decline	0.00%	(per YR)	Oil Price	$86.47	($/unit)
Init WI	1.00000	(Fraction)	Flat Period	0	months
Init RI	0.87500	(Fraction)	Escalation	0	fraction
PO-net rev	$0	$	Max Price	$86.47	($/unit)
APO WI	1.00000	(Fraction)	Operating Costs	$250	($/MO/WELL)
APO RI	0.87500	(Fraction)	Flat Period	0	months
Oil Tax	0.0025	(Fraction)	Escalation	0	fraction
Gas Tax	0.0000	(Fraction)	Max Oper Cost	$250	($/MO/Well)
Pur-Dev Cost	$0	(GROSS)	Prod Start Date	201309	(YR MO)
Pur-Dev Cost	$0	(NET)	Eff. Date	201309	(YR MO)
Init Well Ct	4		Econ. Limit	y	(Y or N)
Risk Fctr	1	(Fraction)	Royality Lease	n	(Y or N)

Life	24.59	years

Discount Rates	
0.00%	986,788
10.00%	555,331
20.00%	368,092
30.00%	266,644
40.00%	203,480
50.00%	160,402
60.00%	129,110
70.00%	105,312
80.00%	86,574
90.00%	71,415
100.00%	58,881

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
ORTH / CRESS - PROVED UNDEVELOPED
LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	4	693	0	4,000	1.00000	0.87500	606	0	86.47	0.00
2014	4	1,939	0	12,000	1.00000	0.87500	1,697	0	86.47	0.00
2015	4	1,745	0	12,000	1.00000	0.87500	1,527	0	86.47	0.00
2016	4	1,570	0	12,000	1.00000	0.87500	1,374	0	86.47	0.00
2017	4	1,413	0	12,000	1.00000	0.87500	1,237	0	86.47	0.00
2018	4	1,272	0	12,000	1.00000	0.87500	1,113	0	86.47	0.00
2019	4	1,145	0	12,000	1.00000	0.87500	1,002	0	86.47	0.00
2020	4	1,030	0	12,000	1.00000	0.87500	902	0	86.47	0.00
2021	4	927	0	12,000	1.00000	0.87500	811	0	86.47	0.00
2022	4	835	0	12,000	1.00000	0.87500	730	0	86.47	0.00
2023	4	751	0	12,000	1.00000	0.87500	657	0	86.47	0.00
2024	4	676	0	12,000	1.00000	0.87500	592	0	86.47	0.00
2025	4	608	0	12,000	1.00000	0.87500	532	0	86.47	0.00
2026	4	548	0	12,000	1.00000	0.87500	479	0	86.47	0.00
2027	4	493	0	12,000	1.00000	0.87500	431	0	86.47	0.00
2028	4	444	0	12,000	1.00000	0.87500	388	0	86.47	0.00
2029	4	399	0	12,000	1.00000	0.87500	349	0	86.47	0.00
2030	4	359	0	12,000	1.00000	0.87500	314	0	86.47	0.00
2031	4	323	0	12,000	1.00000	0.87500	283	0	86.47	0.00
2032	4	291	0	12,000	1.00000	0.87500	255	0	86.47	0.00
Rem	4	1,112	0	63,074	1.00000	0.87500	973	0	86.47	0.00
Total		18,575	0	295,074			16,253	0	86.47	0.00

	Gross Revenue		Production/ AD VAL TAX		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS	$ OIL	$ GAS	Production $ Taxes	Oper Costs	Devel Costs	Income Annual	Cumulative	10.00% Annual
2013	52,436	0	132	0	52,304	4,000	120,000	(71,696)	(71,696)	(72,457)
2014	146,699	0	370	0	146,329	12,000	0	134,329	62,633	124,073
2015	132,029	0	333	0	131,696	12,000	0	119,696	182,329	100,506
2016	118,826	0	299	0	118,526	12,000	0	106,526	288,855	81,316
2017	106,943	0	269	0	106,674	12,000	0	94,674	383,529	65,699
2018	96,249	0	243	0	96,006	12,000	0	84,006	467,536	52,997
2019	86,624	0	218	0	86,406	12,000	0	74,406	541,941	42,673
2020	77,962	0	196	0	77,765	12,000	0	65,765	607,707	34,288
2021	70,165	0	177	0	69,989	12,000	0	57,989	665,695	27,485
2022	63,149	0	159	0	62,990	12,000	0	50,990	716,685	21,971
2023	56,834	0	143	0	56,691	12,000	0	44,691	761,376	17,506
2024	51,151	0	129	0	51,022	12,000	0	39,022	800,398	13,896
2025	46,036	0	116	0	45,920	12,000	0	33,920	834,317	10,981
2026	41,432	0	104	0	41,328	12,000	0	29,328	863,645	8,631
2027	37,289	0	94	0	37,195	12,000	0	25,195	888,840	6,741
2028	33,560	0	85	0	33,475	12,000	0	21,475	910,315	5,223
2029	30,204	0	76	0	30,128	12,000	0	18,128	928,443	4,008
2030	27,184	0	69	0	27,115	12,000	0	15,115	943,558	3,038
2031	24,465	0	62	0	24,404	12,000	0	12,404	955,961	2,267
2032	22,019	0	55	0	21,963	12,000	0	9,963	965,925	1,655
Rem	84,149	0	212	0	83,937	63,074	0	20,863		2,834
Total	1,405,403	0	3,542	0	1,401,862	295,074	120,000	986,788		555,331

Lease Name:	ORTH GILLESPIE / GILLESPIE SOUTH -PDP				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	$0.00	($/unit)
Oil Rate	6.58	(Unit/d)	Flat Period	0	months
Oil Decline	10.00%	(per YR)	Escalation	0	fraction
Gas Rate	0.00	(Unit/d)	Max Price	$0.00	($/unit)
Gas Decline	0.00%	(per YR)	Oil Price	$86.47	($/unit)
Init WI	1.00000	(Fraction)	Flat Period	0	months
Init RI	0.87500	(Fraction)	Escalation	0	fraction
PO-net rev	$0	$	Max Price	$86.47	($/unit)
APO WI	1.00000	(Fraction)	Operating Costs	$220	($/MO/WELL)
APO RI	0.87500	(Fraction)	Flat Period	0	months
Oil Tax	0.0025	(Fraction)	Escalation	0	fraction
Gas Tax	0.0000	(Fraction)	Max Oper Cost	$220	($/MO/Well)
Pur-Dev Cost	$0	(GROSS)	Prod Start Date	201301	(YR MO)
Pur-Dev Cost	$0	(NET)	Eff. Date	201301	(YR MO)
Init Well Ct	12		Econ. Limit	y	(Y or N)
Risk Fctr	1	(Fraction)	Royality Lease	n	(Y or N)

Life	16.11	years

Discount Rates	
0.00%	893,943
10.00%	605,358
20.00%	457,416
30.00%	370,151
40.00%	313,261
50.00%	273,393
60.00%	243,919
70.00%	221,224
80.00%	203,187
90.00%	188,485
100.00%	176,254

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME

ORTH GILLESPIE / GILLESPIE SOUTH -PDP

LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	12	2,278	0	31,680	1.00000	0.87500	1,993	0	86.47	0.00
2014	12	2,050	0	31,680	1.00000	0.87500	1,794	0	86.47	0.00
2015	12	1,845	0	31,680	1.00000	0.87500	1,615	0	86.47	0.00
2016	12	1,661	0	31,680	1.00000	0.87500	1,453	0	86.47	0.00
2017	12	1,495	0	31,680	1.00000	0.87500	1,308	0	86.47	0.00
2018	12	1,345	0	31,680	1.00000	0.87500	1,177	0	86.47	0.00
2019	12	1,211	0	31,680	1.00000	0.87500	1,059	0	86.47	0.00
2020	12	1,090	0	31,680	1.00000	0.87500	953	0	86.47	0.00
2021	12	981	0	31,680	1.00000	0.87500	858	0	86.47	0.00
2022	12	883	0	31,680	1.00000	0.87500	772	0	86.47	0.00
2023	12	794	0	31,680	1.00000	0.87500	695	0	86.47	0.00
2024	12	715	0	31,680	1.00000	0.87500	626	0	86.47	0.00
2025	12	643	0	31,680	1.00000	0.87500	563	0	86.47	0.00
2026	12	579	0	31,680	1.00000	0.87500	507	0	86.47	0.00
2027	12	521	0	31,680	1.00000	0.87500	456	0	86.47	0.00
2028	12	469	0	31,680	1.00000	0.87500	410	0	86.47	0.00
2029	12	45	0	3,374	1.00000	0.87500	39	0	86.47	0.00
2030	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2031	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2032	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Rem	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Total		18,606	0	510,254			16,280	0	86.47	0.00

	Gross Revenue		Production/		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS	AD VAL TAX		Production	Oper	Devel	Income		10.00%
			$ OIL	$ GAS	$ Taxes	Costs	Costs	Annual	Cumulative	Annual
2013	172,376	0	434	0	171,941	31,680	0	140,261	140,261	133,734
2014	155,138	0	391	0	154,747	31,680	0	123,067	263,329	106,673
2015	139,624	0	352	0	139,273	31,680	0	107,593	370,921	84,781
2016	125,662	0	317	0	125,345	31,680	0	93,665	464,587	67,097
2017	113,096	0	285	0	112,811	31,680	0	81,131	545,717	52,835
2018	101,786	0	257	0	101,530	31,680	0	69,850	615,567	41,353
2019	91,608	0	231	0	91,377	31,680	0	59,697	675,264	32,129
2020	82,447	0	208	0	82,239	31,680	0	50,559	725,823	24,737
2021	74,202	0	187	0	74,015	31,680	0	42,335	768,158	18,831
2022	66,782	0	168	0	66,614	31,680	0	34,934	803,092	14,126
2023	60,104	0	151	0	59,952	31,680	0	28,272	831,364	10,393
2024	54,093	0	136	0	53,957	31,680	0	22,277	853,641	7,445
2025	48,684	0	123	0	48,561	31,680	0	16,881	870,522	5,129
2026	43,816	0	110	0	43,705	31,680	0	12,025	882,547	3,321
2027	39,434	0	99	0	39,335	31,680	0	7,655	890,202	1,922
2028	35,491	0	89	0	35,401	31,680	0	3,721	893,923	849
2029	3,402	0	9	0	3,393	3,374	0	19	893,943	4
2030	0	0	0	0	0	0	0	0	893,943	0
2031	0	0	0	0	0	0	0	0	893,943	0
2032	0	0	0	0	0	0	0	0	893,943	0
Rem	0	0	0	0	0	0	0	0		0
Total	1,407,744	0	3,548	0	1,404,197	510,254	0	893,943		605,358

Lease Name:	ORTH GILLESPIE / GILLESPIE SOUTH -PUD				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	$0.00	($/unit)
Oil Rate	2.90	(Unit/d)	Flat Period	0	months
Oil Decline	10.00%	(per YR)	Escalation	0	fraction
Gas Rate	0.00	(Unit/d)	Max Price	$0.00	($/unit)
Gas Decline	0.00%	(per YR)	Oil Price	$86.47	($/unit)
Init WI	1.00000	(Fraction)	Flat Period	0	months
Init RI	0.87500	(Fraction)	Escalation	0	fraction
PO-net rev	$0	$	Max Price	$86.47	($/unit)
APO WI	1.00000	(Fraction)	Operating Costs	$220	($/MO/WELL)
APO RI	0.87500	(Fraction)	Flat Period	0	months
Oil Tax	0.0025	(Fraction)	Escalation	0	fraction
Gas Tax	0.0000	(Fraction)	Max Oper Cost	$220	($/MO/Well)
Pur-Dev Cost	$0	(GROSS)	Prod Start Date	201309	(YR MO)
Pur-Dev Cost	$0	(NET)	Eff. Date	201309	(YR MO)
Init Well Ct	2		Econ. Limit	y	(Y or N)
Risk Fctr	1	(Fraction)	Royality Lease	n	(Y or N)

Life	25.38	years

Discount Rates	
0.00%	511,511
10.00%	284,530
20.00%	187,950
30.00%	136,055
40.00%	103,870
50.00%	81,966
60.00%	66,075
70.00%	53,999
80.00%	44,497
90.00%	36,814
100.00%	30,463

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME

ORTH GILLESPIE / GILLESPIE SOUTH -PUD

LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	2	347	0	1,760	1.00000	0.87500	303	0	86.47	0.00
2014	2	969	0	5,280	1.00000	0.87500	848	0	86.47	0.00
2015	2	872	0	5,280	1.00000	0.87500	763	0	86.47	0.00
2016	2	785	0	5,280	1.00000	0.87500	687	0	86.47	0.00
2017	2	707	0	5,280	1.00000	0.87500	618	0	86.47	0.00
2018	2	636	0	5,280	1.00000	0.87500	557	0	86.47	0.00
2019	2	572	0	5,280	1.00000	0.87500	501	0	86.47	0.00
2020	2	515	0	5,280	1.00000	0.87500	451	0	86.47	0.00
2021	2	464	0	5,280	1.00000	0.87500	406	0	86.47	0.00
2022	2	417	0	5,280	1.00000	0.87500	365	0	86.47	0.00
2023	2	376	0	5,280	1.00000	0.87500	329	0	86.47	0.00
2024	2	338	0	5,280	1.00000	0.87500	296	0	86.47	0.00
2025	2	304	0	5,280	1.00000	0.87500	266	0	86.47	0.00
2026	2	274	0	5,280	1.00000	0.87500	240	0	86.47	0.00
2027	2	246	0	5,280	1.00000	0.87500	216	0	86.47	0.00
2028	2	222	0	5,280	1.00000	0.87500	194	0	86.47	0.00
2029	2	200	0	5,280	1.00000	0.87500	175	0	86.47	0.00
2030	2	180	0	5,280	1.00000	0.87500	157	0	86.47	0.00
2031	2	162	0	5,280	1.00000	0.87500	141	0	86.47	0.00
2032	2	146	0	5,280	1.00000	0.87500	127	0	86.47	0.00
Rem	2	617	0	31,946	1.00000	0.87500	540	0	86.47	0.00
Total		9,349	0	134,026			8,180	0	86.47	0.00

	Gross Revenue		Production/ AD VAL TAX		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS			Production	Oper	Devel	Income		10.00%
			$ OIL	$ GAS	$ Taxes	Costs	Costs	Annual	Cumulative	Annual
2013	26,218	0	66	0	26,152	1,760	60,000	(35,608)	(35,608)	(35,992)
2014	73,349	0	185	0	73,164	5,280	0	67,884	32,276	62,701
2015	66,014	0	166	0	65,848	5,280	0	60,568	92,844	50,858
2016	59,413	0	150	0	59,263	5,280	0	53,983	146,828	41,208
2017	53,472	0	135	0	53,337	5,280	0	48,057	194,885	33,349
2018	48,124	0	121	0	48,003	5,280	0	42,723	237,608	26,953
2019	43,312	0	109	0	43,203	5,280	0	37,923	275,531	21,749
2020	38,981	0	98	0	38,883	5,280	0	33,603	309,133	17,520
2021	35,083	0	88	0	34,994	5,280	0	29,714	338,848	14,084
2022	31,574	0	80	0	31,495	5,280	0	26,215	365,062	11,296
2023	28,417	0	72	0	28,345	5,280	0	23,065	388,128	9,035
2024	25,575	0	64	0	25,511	5,280	0	20,231	408,359	7,204
2025	23,018	0	58	0	22,960	5,280	0	17,680	426,039	5,724
2026	20,716	0	52	0	20,664	5,280	0	15,384	441,422	4,527
2027	18,644	0	47	0	18,597	5,280	0	13,317	454,740	3,563
2028	16,780	0	42	0	16,738	5,280	0	11,458	466,197	2,787
2029	15,102	0	38	0	15,064	5,280	0	9,784	475,981	2,163
2030	13,592	0	34	0	13,558	5,280	0	8,278	484,259	1,664
2031	12,233	0	31	0	12,202	5,280	0	6,922	491,181	1,265
2032	11,009	0	28	0	10,982	5,280	0	5,702	496,882	947
Rem	46,692	0	118	0	46,575	31,946	0	14,628		1,926
Total	707,319	0	1,782	0	705,537	134,026	60,000	511,511		284,530

Lease Name:	PATRICK COLLINS - PROVED DEVELOPED PRODUCING				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	**$0.00**	($/unit)
Oil Rate	**0.29**	(Unit/d)	Flat Period	**0**	months
Oil Decline	**10.00%**	(per YR)	Escalation	**0**	fraction
Gas Rate	**0.00**	(Unit/d)	Max Price	**$0.00**	($/unit)
Gas Decline	**0.00%**	(per YR)	Oil Price	**$86.47**	($/unit)
Init WI	**1.00000**	(Fraction)	Flat Period	**0**	months
Init RI	**0.87500**	(Fraction)	Escalation	**0**	fraction
PO-net rev	**$0**	$	Max Price	**$86.47**	($/unit)
APO WI	**1.00000**	(Fraction)	Operating Costs	**$400**	($/MO/WELL)
APO RI	**0.87500**	(Fraction)	Flat Period	**0**	months
Oil Tax	**0.0025**	(Fraction)	Escalation	**0**	fraction
Gas Tax	**0.0000**	(Fraction)	Max Oper Cost	**$400**	($/MO/Well)
Pur-Dev Cost	**$0**	(GROSS)	Prod Start Date	**201301**	(YR MO)
Pur-Dev Cost	**$0**	(NET)	Eff. Date	**201301**	(YR MO)
Init Well Ct	**2**		Econ. Limit	**y**	(Y or N)
Risk Fctr	**1**	(Fraction)	Royality Lease	**n**	(Y or N)

Life	0.00	years

Discount Rates	
0.00%	0
10.00%	0
20.00%	0
30.00%	0
40.00%	0
50.00%	0
60.00%	0
70.00%	0
80.00%	0
90.00%	0
100.00%	0

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
PATRICK COLLINS - PROVED DEVELOPED PRODUCING
LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2014	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2015	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2016	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2017	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2018	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2019	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2020	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2021	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2022	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2023	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2024	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2025	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2026	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2027	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2028	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2029	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2030	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2031	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
2032	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Rem	0	0	0	0	1.00000	0.87500	0	0	0.00	0.00
Total		0	0	0			0	0	0.00	0.00

	Gross Revenue		Production/ AD VAL TAX		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS			Production	Oper	Devel	Income		10.00%
			$ OIL	$ GAS	$ Taxes	Costs	Costs	Annual	Cumulative	Annual
2013	0	0	0	0	0	0	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0
2017	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	0	0	0	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0	0
2025	0	0	0	0	0	0	0	0	0	0
2026	0	0	0	0	0	0	0	0	0	0
2027	0	0	0	0	0	0	0	0	0	0
2028	0	0	0	0	0	0	0	0	0	0
2029	0	0	0	0	0	0	0	0	0	0
2030	0	0	0	0	0	0	0	0	0	0
2031	0	0	0	0	0	0	0	0	0	0
2032	0	0	0	0	0	0	0	0	0	0
Rem	0	0	0	0	0	0	0	0		0
Total	0	0	0	0	0	0	0	0		0

Lease Name:	PATRICK COLLINS - PROVED UNDEVELOPED				
Company:	LEGEND OIL AND GAS LTD.				
January 24, 2013			Gas Price	$0.00	($/unit)
Oil Rate	2.90	(Unit/d)	Flat Period	0	months
Oil Decline	10.00%	(per YR)	Escalation	0	fraction
Gas Rate	0.00	(Unit/d)	Max Price	$0.00	($/unit)
Gas Decline	0.00%	(per YR)	Oil Price	$86.47	($/unit)
Init WI	1.00000	(Fraction)	Flat Period	0	months
Init RI	0.87500	(Fraction)	Escalation	0	fraction
PO-net rev	$0	$	Max Price	$86.47	($/unit)
APO WI	1.00000	(Fraction)	Operating Costs	$400	($/MO/WELL)
APO RI	0.87500	(Fraction)	Flat Period	0	months
Oil Tax	0.0025	(Fraction)	Escalation	0	fraction
Gas Tax	0.0000	(Fraction)	Max Oper Cost	$400	($/MO/Well)
Pur-Dev Cost	$0	(GROSS)	Prod Start Date	201312	(YR MO)
Pur-Dev Cost	$0	(NET)	Eff. Date	201312	(YR MO)
Init Well Ct	2		Econ. Limit	y	(Y or N)
Risk Fctr	1	(Fraction)	Royality Lease	n	(Y or N)

Life	20.55	years

Discount Rates	
0.00%	413,455
10.00%	244,469
20.00%	164,634
30.00%	119,604
40.00%	90,984
50.00%	71,232
60.00%	56,775
70.00%	45,720
80.00%	36,979
90.00%	29,883
100.00%	23,998

Prepared by KLH Consulting

155 N. Market Suite 500 Wichita, KS 67202

WWW.KLHOILANDGASCONSULTING.COM

ESTIMATED FUTURE RESERVES AND INCOME
PATRICK COLLINS - PROVED UNDEVELOPED
LEGEND OIL AND GAS LTD.

		Gross Production		Gross			Net Production		Average Prices	
	Well	OIL	GAS	Operating	Working	Revenue	OIL	GAS	OIL	GAS
Year	Cnt	Unit	Unit	Costs	Interest	Interest	Unit	Unit	$/unit	$/unit
2013	2	88	0	800	1.00000	0.87500	77	0	86.47	0.00
2014	2	995	0	9,600	1.00000	0.87500	871	0	86.47	0.00
2015	2	896	0	9,600	1.00000	0.87500	784	0	86.47	0.00
2016	2	806	0	9,600	1.00000	0.87500	705	0	86.47	0.00
2017	2	726	0	9,600	1.00000	0.87500	635	0	86.47	0.00
2018	2	653	0	9,600	1.00000	0.87500	571	0	86.47	0.00
2019	2	588	0	9,600	1.00000	0.87500	514	0	86.47	0.00
2020	2	529	0	9,600	1.00000	0.87500	463	0	86.47	0.00
2021	2	476	0	9,600	1.00000	0.87500	417	0	86.47	0.00
2022	2	428	0	9,600	1.00000	0.87500	375	0	86.47	0.00
2023	2	386	0	9,600	1.00000	0.87500	337	0	86.47	0.00
2024	2	347	0	9,600	1.00000	0.87500	304	0	86.47	0.00
2025	2	312	0	9,600	1.00000	0.87500	273	0	86.47	0.00
2026	2	281	0	9,600	1.00000	0.87500	246	0	86.47	0.00
2027	2	253	0	9,600	1.00000	0.87500	221	0	86.47	0.00
2028	2	228	0	9,600	1.00000	0.87500	199	0	86.47	0.00
2029	2	205	0	9,600	1.00000	0.87500	179	0	86.47	0.00
2030	2	184	0	9,600	1.00000	0.87500	161	0	86.47	0.00
2031	2	166	0	9,600	1.00000	0.87500	145	0	86.47	0.00
2032	2	149	0	9,600	1.00000	0.87500	131	0	86.47	0.00
Rem	2	191	0	14,056	1.00000	0.87500	167	0	86.47	0.00
Total		8,887	0	197,256			7,776	0	86.47	0.00

	Gross Revenue		Production/ AD VAL TAX		FGR After	Net	Purchase/	Future Net		Disc Net
Year	OIL	GAS			Production	Oper	Devel	Income		10.00%
			$ OIL	$ GAS	$ Taxes	Costs	Costs	Annual	Cumulative	Annual
2013	6,641	0	17	0	6,624	800	60,000	(54,176)	(54,176)	(54,199)
2014	75,307	0	190	0	75,117	9,600	0	65,517	11,342	61,974
2015	67,776	0	171	0	67,606	9,600	0	58,006	69,347	49,880
2016	60,999	0	154	0	60,845	9,600	0	51,245	120,592	40,061
2017	54,899	0	138	0	54,760	9,600	0	45,160	165,752	32,095
2018	49,409	0	125	0	49,284	9,600	0	39,684	205,437	25,639
2019	44,468	0	112	0	44,356	9,600	0	34,756	240,193	20,414
2020	40,021	0	101	0	39,920	9,600	0	30,320	270,513	16,189
2021	36,019	0	91	0	35,928	9,600	0	26,328	296,842	12,780
2022	32,417	0	82	0	32,336	9,600	0	22,736	319,577	10,033
2023	29,175	0	74	0	29,102	9,600	0	19,502	339,079	7,823
2024	26,258	0	66	0	26,192	9,600	0	16,592	355,671	6,051
2025	23,632	0	60	0	23,573	9,600	0	13,973	369,643	4,632
2026	21,269	0	54	0	21,215	9,600	0	11,615	381,259	3,501
2027	19,142	0	48	0	19,094	9,600	0	9,494	390,752	2,601
2028	17,228	0	43	0	17,184	9,600	0	7,584	398,337	1,889
2029	15,505	0	39	0	15,466	9,600	0	5,866	404,203	1,328
2030	13,955	0	35	0	13,919	9,600	0	4,319	408,522	889
2031	12,559	0	32	0	12,527	9,600	0	2,927	411,450	548
2032	11,303	0	28	0	11,275	9,600	0	1,675	413,124	285
Rem	14,422	0	36	0	14,386	14,056	0	330		54
Total	672,405	0	1,694	0	670,710	197,256	60,000	413,455		244,469