

FORREST A. GARB & ASSOCIATES, INC.

INTERNATIONAL PETROLEUM CONSULTANTS

5310 HARVEST HILL ROAD, SUITE 275

DALLAS, TEXAS 75230 - 5805

(972) 788-1110 Telefax 991-3160

E-Mail: forgarb@forgarb.com

February 20, 2012

Mr. Brian McDonnell
Chief Executive Officer
Major Oil International, LLC
1208 W. Drew Street
Houston, TX 77006

Re: Competent Persons Report (CPR) Relating to the Proposed Exploration Sites on Major Oil International, LLC's Area of Interest in Hot Creek Valley, Nye County, Nevada.

Dear Mr. McDonnell:

At the request of Major Oil International, LLC (Major Oil), Forrest A. Garb & Associates, Inc. (FGA) has prepared an independent, third-party assessment of proposed exploration sites in Hot Creek Valley, Nye County, Nevada. Geology and engineering assessments were performed and are discussed in more detail in the attached Competent Persons Report (CPR).

Geological Assessment Summary

FGA reviewed gravity data, magnetic data, satellite imagery, 2-D seismic data, passive seismic data, and various consulting firms' interpretations provided by Major Oil. No single data analysis was used as the basis for exploration, rather Major Oil concentrated on areas where all interpretations agree that hydrocarbons could be present. Trap types are expected to be structural in nature, due to the faulting typical of a Basin and Range environment, and similar to analog production in the neighboring Railroad Valley. Strong geologic evidence indicates that the producing formations found in Railroad Valley are also present in Hot Creek Valley. These productive Tertiary-aged volcanics and Paleozoic-aged dolomites are the primary and secondary targets, respectively. Wellbore and outcrop evidence indicate that the same source rocks found in Railroad Valley are also present in Hot Creek Valley. The geologic assessment is presented in more detail in the attached CPR.

Based on FGA's review of the materials provided, Major Oil used a thorough, rigorous process to identify possible oil and gas accumulations and mitigate risk. The exploration activities proposed in this exploration program are consistent with current practices in oil and gas exploration.

Engineering Assessment Summary

FGA used the Petroleum Resources Management System (SPE-PRMS) published by the Society of Petroleum Engineers/World Petroleum Congresses/American Association of Petroleum Geologists/Society of Petroleum Evaluation Engineers in November 2011, as the basis for its classification of hydrocarbon volumes. FGA reviewed the input parameters and hydrocarbon estimates provided by Major Oil for reasonableness and accepted methodology. The gross hydrocarbon estimates for the Tertiary Volcanics (shallow zone) are 111 million (MM) barrels (original oil-in-place) and 42 MM barrels of oil recoverable. The gross hydrocarbon estimates for the Paleozoic Dolomites (deep zone) are 78 MM barrels (original oil-in-place) and 25 MM barrels of oil recoverable. *Due to the lack of discovered hydrocarbons in the prospect area, it is FGA's opinion that estimated hydrocarbon volumes should be classified as Prospective Resources and, as such, carry a low level of confidence.*

Estimates of the prospective hydrocarbon resources in license blocks 87414 and 87415 (the prospect), Hot Creek Valley, Nye County Nevada, USA are presented in more detail in the attached CPR. Major Oil represents that it currently owns 100 percent of the working interest in the prospect under the terms of the exploration and production licenses issued. Major Oil states that it intends to proceed with the exploration, development, and production of any commercially viable discovered hydrocarbons.

A financial model was provided by Major Oil. FGA reviewed the assumptions and cash flow calculations used in the present value estimate. The model was based on a 15 well exploration plan with wells being drilled over a two year period, a capital investment of \$40 MM, and oil production and cash flows projected over a ten year period. This 15 well project has an estimated present value discounted at 10% per year of \$514 MM (unrisked) for the ten-year projection. *FGA agrees with the procedure and results of these economics based on the assumptions described.*

In preparing this report FGA has relied upon, without independent verification, information furnished by or on behalf of Major Oil with respect to the property interests to be evaluated, subsurface data as it pertains to the target objectives and prospects, and various other information and technical data which were accepted as represented. Geologic review and estimates of the prospective hydrocarbons were based on data available as of January 31, 2012.

Based on the review of the materials provided, FGA opines that Major Oil's data, methods, and interpretations used in evaluating this prospect are reasonable with respect to hydrocarbon exploration. Also, it is FGA's opinion that these prospects are exploratory in nature, and are categorized as Prospective Resources.

Sincerely,



Forrest A. Garb & Associates, Inc.
Texas Registered Engineering Firm F-629