UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): January 19, 2012

LEXARIA CORP.

(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of

incorporation)

000-52138 (Commission File Number) 20-2000871 (IRS Employer Identification No.)

#950 - 1130 West Pender Street, Vancouver, British Columbia, Canada V6E 4A4

Registrant's telephone number, including area code: (604) 602-1675

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a -12)

[] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d -2(b))

[] Pre-commencement communications pursuant to Rule 13e-4(c) under Exchange Act (17 CFR 240.13e -4(c))

Item 7.01. Regulation FD Disclosure.

Lexaria Corp. (the "Company") announced in a press release dated January 19, 2012, that it had filed its reserved report on EDGAR and announced a significant increase in proved oil reserves at the Belmont Lake oil field located in Mississippi. The reserve report provides the details of the increases.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Description
10.1	Reserve Report dated October 31, 2011.
99.1	Press Release dated January 19, 2012 filing of Reserve Report.
99.2	Consent of Veazy & Associates, LLC

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: January 19, 2012

	Lexaria Corp.
(Signature)	By: "/s/ Chris Bunka"
	Chris Bunka
	President & CEO

EST. OF FUTURE RESERVES AND REVENUES U. S. SEC REPORT WILKINSON COUNTY, MISSISSIPPI TO LEXARIA CORPORATION AS OF OCTOBER 31, 2011

December 12, 2011

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Petroleum Consultants

6161 Perkins Road, Ste. 2C Baton Rouge, La. 70808 Phone (225) 765-1914 FAX: (225) 765-1917

December 12, 2011

Lexaria Corporation Attn: Mr. Chris Bunka, President 700 West Pender, Suite 604 Vancouver, BC V6C 1G8

Re: Estimate of Future Reserves and Revenues U. S. Securities and Exchange Commission (SEC) Report Wilkinson County, Mississippi As of October 31, 2011

Dear Mr. Bunka,

Following your request, we have estimated the future net reserves and revenues for Lexaria Corporation (Lexaria) located in Wilkinson County, Mississippi. The proved developed reserves are located in Belmont Lake field and consist of four (4) producing wells in an oil zone called the Frio Sand. These wells are gas lifted by gas supplied by the F-29. Lexaria owns the same interest in the F-29 as in the other producing wells. In addition, lease operating expenses have been lowered by constructing a saltwater disposal well in Belmont Lake. The proved un-developed properties consist of four (4) Frio oil locations which off-set the four existing wells and are located within an area of geological well control. Since last year's report, no wells were drilled. However, the F-12-5 was successfully worked over in the Frio Sand and has been restored to production.

There are also two Probable objectives included in this report. One Probable objective is a shut-in gas zone in the PP F-39. The other Probable objective is a behind pipe oil zone in the PP F-39. There are no immediate plans to place the PP F-39 on-line therefore we estimated first production to be January of 2013. The following are our conclusions for the estimates of future reserves and revenues for Lexaria Corporation, as of October 31, 2011.

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Lexaria Corporation Phase I Drilling Program Wilkinson County, MS As of October 31, 2011

SEC Pricing

1st of the Month Average Spot Prices

Category	NET OIL, MBBLS	NET GAS, MMCF	CASH FLOW, UNDISC	CASH FLOW, DISC @ 10%
Proved Developed	68.07	0.00	\$4,931,906	\$3,531,796
Prove Undeveloped	87.72	0.00	\$6,528,571	\$4,539,775
Total Proved (1P)	155.79	0.00	\$11,460,477	\$8,071,571
Probable – Shut-in	0.00	15.04	\$26,437	\$21,028
Probable – Behind Pipe	2.38	0.00	\$179,801	\$114,237
Total Probable	2.38	15.04	\$206,238	\$135,265
Total Proved & Probable (2P)	158.17	15.04	\$11,666,715	\$8,206,836

The working interests and net revenue interests used to calculate these net reserves and revenues were supplied by Lexaria Corporation. The following is a summary of these interests.

	W.I. Before	W.I. After	Net Revenue	
Well	Completion	Completion	Interest	
F-12-1	42%	35.7%	27.3036947%	
F-12-3	42%	35.7%	27.3036947%	
F-12-4	42%	35.7%	27.3036947%	
F-12-4 Nonconsent ²	8%	6.8%	5.2007038%	
F-12-5	42%	35.7%	27.3036947%	
F-12-5 Nonconsent ³	8%	6.8%	5.2007038%	
F-12-6	42%	35.7%	27.3036947%	
F-12-7	42%	35.7%	27.3036947%	
F-12-8	42%	35.7%	27.3036947%	
F-12-9	42%	35.7%	27.3036947%	
F-39	42%	35.7%	27.3036947%	

¹ Statement dated October 7, 2011 attached herein. Interests on statement may not be consistent due to farm-outs.

² F-12-4 interest reverts to original owner after a 500% penalty (\$216,976 effective 10/31/11) is recouped by Lexaria.

³ F-12-5 interest reverts to original owner after a 500% penalty (\$188,052 effective 10/31/11) is recouped by Lexaria.

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CLASSIFICATIONS AND DEFINITIONS

The classifications and definitions for proved reserves are consistent with those of the SEC⁴.

The reserves presented herein are un-risked and because of this, prudence should be exercised in interpreting the revenues generated from present and future potential production. Because of the distinct classification (proved and probable) and category (producing, shut-in and undeveloped) of reserves, likely differences in uncertainty arise and caution should be used when combining reserves of different classes and categories.

RESERVE ESTIMATES

Reserve estimates were made utilizing sufficient historical production data with cum-cut plots (for the F-12-1 and F-12-3A) and a combination of volumetrics and analogy of the Frio Sand in its final stages of production in the Stamps field located approximately 2 miles away. The Stamps field, which is similar in size, has been estimated to ultimately produce almost 900,000 Bbls of oil.

For the volumetric calculation, 3-D maps, geological maps, logs, core analysis and test data were supplied by Griffin & Griffin, LLC (Griffin), the operator. This data was analyzed and utilized in calculating porosity, water saturation, thickness, temperature and pressure for the Frio Sand.

The Guthrie and Greenberger correlation was utilized to calculate the oil reserves found in Belmont Lake and the behind pipe in the F-39 well. Guthrie and Greenberger used multiple analysis methods to find a correlation between oil sandstone reservoirs under forces of a water drive mechanism and five variables - permeability, water saturation, viscosity, porosity and thickness. This was a continuation of a study originally performed by Craze and Buckley in 1945 and eventually culminated into API Bulletin D14 in 1967 and SPE Paper No. 2068 written by J. J. Arps in 1968.

The Legatski Correlation⁵ was used in determining gas reserves found in the F-39 well. This correlation predicts the recovery of gas reserves from water-drive reservoirs. However, the range of sweep efficiency can be altered from a depletion drive reservoir to a strong water-drive reservoir.

Decline curves were then used in conjunction with these estimates to forecast the future cash flow from the producing properties. Production was generally updated through October 2011. Initial rates for the drilling locations were estimated to be 45 BOPD with declines of 5%/year until the calculated oil reserves are depleted. The forecast was terminated if a property began to produce below the economic limit.

⁴ A summary of the SEC oil and gas reserve definitions are attached herein and a more complete explanation of these guidelines can be found at:

http://www.spee.org/images/PDFs/ReferencesResources/SEC_RevisedRules.pdfare.

⁵ SPE Paper No. 899, Displacement of Gas from Porous Media by Water, Max W. Legatski et al

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For those properties which are currently shut-in and/or in need of a work-over, Griffin has advised that when gas prices rise to support the economy of operations, the wells will again be turned on and/or worked over. There are no plans or AFE at this time to work-over or turn these shut-in wells on.

Attached herein are one-line and detailed economic summaries for Lexaria's interest in this drilling program. Also attached are the decline curves for the wells and future wells.

PRODUCT PRICES

The oil and natural gas prices used in this report are the 12-month average St. James Sweet crude and Henry Hub spots, calculated as the un-weighted arithmetic average of the first-day-of-the-month price for each month within the 12-month period prior to the end of the reporting period. These prices of \$108.74/Bbl and \$4.20/Mcf were held constant throughout the life of the forecast.

COSTS AND EXPENSES

Costs used to forecast the drilling and completing of the F-12-6, 12-7, 12-8 and 12-9 were taken directly from the signed November 12, 2010 AFE Election⁶ and are in the amount of \$568,478. However, the estimated cost of the 12-6 and 12-7 used in the forecast are higher than the amount listed in the AFE Election due to future pipeline installation. The pipeline to be installed will be utilized for the 12-8 and 12-9 therefore the cost will not be included in the drilling and completion for those wells and the costs match the AFE election.

Operating expenses were obtained from the revenue and billing statements which were supplied by Lexaria. Expenses from the time when the saltwater disposal well was installed in May of 2011were averaged monthly since this is a better indicator of what expenses in the future will be. Attached herein is a table showing the lease operating expenses for the wells in Belmont Lake field. An estimate for the lease operating expense for the F-39 well in the amount of \$2,880/month was provided by the operator.

PLUGGING AND ABANDONMENT / RECLAMATION COSTS

Abandonment and reclamation costs were estimated to be \$2.00 per foot (average measured depth of 2,800 ft. for Belmont Lake wells) and were applied at the end of the life for each property separately.

⁶ Attached is the AFE Election for drilling the F-12-6 & F-12-7.

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PROJECTIONS

The attached reserve and revenue projections are on a calendar year basis.

REPORT QUALIFICATIONS

The estimated revenues, both discounted and undiscounted, are not represented as constituting the fair market value of the properties. Rather, these projections are intended to provide investors with an indication of the relative quantity of reserves that is likely to be extracted in the future based on the assigned classification and categorization.

Veazey & Associates, LLC has made no independent examination of titles to the appraised properties, nor has the actual degree or type of interest owned been independently confirmed. The data used in our evaluation were supplied by Lexaria, Griffin or obtained from public records of the Mississippi State Oil and Gas Board and/or published industry sources and were considered accurate. A field inspection of the properties was not made nor considered necessary for the purpose of this report.

We did not inspect the properties nor conduct independent well tests. Environmental studies were not conducted and are beyond the scope of this investigation. This study is based on the assumption that these properties are not negatively affected by the existence of hazardous substances, non-hazardous substances, naturally occurring radioactive material ("NORM") or other detrimental environmental conditions or the possibility of restoration obligations or responsibilities that may be imposed by relevant federal, state or local regulatory agencies. The appraiser is not an expert in the identification of hazardous substances, non-hazardous substances, or detrimental environmental conditions. It is possible that tests and inspections made by a qualified environmental expert could reveal the existence of hazardous or non-hazardous material and environmental conditions in, on, under or around these properties or other properties or facilities held in connection therewith that could negatively affect their value.

Ownership, product prices and other factual data have been accepted as represented by Lexaria and Griffin. We have generally tested the validity of these data and believe the information is correct.

The quality of available information and the application of engineering interpretation and judgment affect the reliability of any reserve estimate. In our opinion, the reserve estimates presented herein are reasonable. These reserves should be accepted with the understanding that drilling activity or additional information subsequent to the date of this report might require their revision.

In performing this study, we have not considered matters in which legal or

accounting, rather than engineering interpretation may be controlling. Finally, it must be realized that forecasting, by its nature, is subject to uncertainty, and the conclusions expressed herein are based on interpretation of engineering data and such conclusions necessarily represent only informed professional judgments.

Neither Veazey & Associates, LLC nor any of its employees has any interest in the subject properties and neither the employment to make this study nor the compensation is contingent on our estimates of reserves and future income for the subject properties.

Included herein is our firm resume'. The appraiser graduated from Louisiana State University in Petroleum Engineering and has been a registered professional engineer since 2001. He has sixteen years of petroleum engineering experience and is a member of the Society of Petroleum Engineers and Society of Petroleum Evaluation Engineers.

If you have any questions or comments, please contact the undersigned. Thank you for the opportunity to review this matter. As always, I remain

Respectfully Yours,

Jim Veazey, PE Louisiana License PE.29335

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SEC Proved Oil and Gas Reserve Definitions

- Proved Reserves
- Proved Developed Reserves
- Proved Undeveloped Reserves
- Reserve Status Categories (producing, non-producing, etc)

INTRODUCTION

Financial Accounting and Reporting for Oil and Gas Producing Activities Pursuant to the Federal Securities Laws and the Energy Policy and Conservation Act of 1975

Reg. § 210.4 -10.

This section prescribes financial accounting and reporting standards for registrants with the Commission engaged in oil and gas producing activities in filings under the federal securities laws and for the preparation of accounts by persons engaged, in whole or in part, in the production of crude oil or natural gas in the United States, pursuant to Section 503 of the Energy Policy and Conservation Act of 1975 [42 U.S.C. 6383] ("EPCA") and section 11(c) of the Energy Supply and Environmental Coordination Act of 1974 [IS U.S.C. 796] ("ESECA"), as amended by section 505 of EPCA. The application of this section to those oil and gas producing operations of companies regulated for rate-making purposes on an individual-company-cost-of-service basis may, however, give appropriate recognition to differences arising because of the effect of the rate-making process.

Exemption. Any person exempted by the Department of Energy from any record-keeping or reporting requirements pursuant to Section 11(c) of ESECA, as amended, is similarly exempted from the related provisions of this section in the preparation of accounts pursuant to EPCA. This exemption does not affect the applicability of this section to filings pursuant to the federal securities laws.

Definitions

(a) Definitions. The following definitions apply to the terms listed below as they are used in this section:

(1) Oil and gas producing activities.

(i) Such activities include:

(A) The search for crude oil, including condensate and natural gas liquids, or natural gas ("oil and gas") in their natural states and original locations.

(B) The acquisition of property rights or properties for the purpose of further exploration and/or for the purpose of removing the oil or gas from existing reservoirs on those properties.

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(C) The construction, drilling and production activities necessary to retrieve oil and gas from its natural reservoirs, and the acquisition, construction, installation, and maintenance of field gathering and storage systems -including lifting the oil and gas to the surface and gathering, treating, field processing (as in the case of processing gas to extract liquid hydrocarbons) and field storage. For purposes of this section, the oil and gas production function shall normally be regarded as terminating at the outlet valve on the lease or field storage tank; if unusual physical or operational circumstances exist, it may be appropriate to regard the production functions as terminating at the first point at which oil, gas, or gas liquids are delivered to a main pipeline, a common carrier, a refinery, or a marine terminal.

(ii) Oil and gas producing activities do not include:

(A) The transporting, refining and marketing of oil and gas.

(B) Activities relating to the production of natural resources other than oil and gas.

(C) The production of geothermal steam or the extraction of hydrocarbons as a byproduct of the production of geothermal steam or associated geothermal resources as defined in the Geothermal Steam Act of 1970.

(D) The extraction of hydrocarbons from shale, tar sands, or coal.

(2) Proved oil and gas reserves. Proved oil and gas reserves are the estimated quantities of crude oil, natural gas, and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Prices include consideration of changes in existing prices provided only by contractual arrangements, but not on escalations based upon future conditions.

(i) Reservoirs are considered proved if economic producibility is supported by either actual production or conclusive formation test. The area of a reservoir considered proved includes (A) that portion delineated by drilling and defined by gas-oil and/or oil-water contacts, if any; and (B) the immediately adjoining portions not yet drilled, but which can be reasonably judged as economically productive on the basis of available geological and engineering data. In the absence of information on fluid contacts, the lowest known structural occurrence of hydrocarbons controls the lower proved limit of the reservoir.

(ii) Reserves which can be produced economically through application of improved recovery techniques (such as fluid injection) are included in the "proved" classification when successful testing by a pilot project, or the operation of an installed program in the reservoir, provides support for the engineering analysis on which the project or program was based.

(iii) Estimates of proved reserves do not include the following:

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(A) oil that may become available from known reservoirs but is classified separately as "indicated additional reserves";

(B) crude oil, natural gas, and natural gas liquids, the recovery of which is subject to reasonable doubt because of uncertainty as to geology, reservoir characteristics, or economic factors;

(C) crude oil, natural gas, and natural gas liquids, that may occur in undrilled prospects; and

(D) crude oil, natural gas, and natural gas liquids, that may be recovered from oil shales, coal, gilsonite and other such sources.

RESERVE STATUS CATEGORIES

(3) Proved developed oil and gas reserves. Proved developed oil and gas reserves are reserves that can be expected to be recovered through existing wells with existing equipment and operating methods. Additional oil and gas expected to be obtained through the application of fluid injection or other improved recovery techniques for supplementing the natural forces and mechanisms of primary recovery should be included as "proved developed reserves" only after testing by a pilot project or after the operation of an installed program has confirmed through production response that increased recovery will be achieved.

(4) Proved undeveloped reserves. Proved undeveloped oil and gas reserves are reserves that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion. Reserves on undrilled acreage shall be limited to those drilling units offsetting productive units that are reasonably certain of production when drilled. Proved reserves for other undrilled units can be claimed only where it can be demonstrated with certainty that there is continuity of production from the existing productive formation. Under no circumstances should estimates, for proved 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 tests in the area and in the same reservoir.

(5) Proved properties. Properties with proved reserves.

UNPROVED RESERVES

(6) Unproved properties. Properties with no proved reserves.

(7) Proved area. The part of a property to which proved reserves have been specifically attributed.

(8) Field. An area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition.

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There may be two or more reservoirs in a field which are separated vertically by intervening impervious strata, or laterally by local geologic barriers, or by both. Reservoirs that are associated by being in overlapping or adjacent fields may be treated as a single or common operational field. The geological terms "structural feature" and "stratigraphic condition" are intended to identify localized geological features as opposed to the broader terms of basins, trends, provinces, plays, areas-of-interest, etc.

(9) Reservoir. A porous and permeable underground formation containing a natural accumulation of producible oil and/or gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

(10) *Exploratory well*. A well drilled to find and produce oil or gas in an unproved area, to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir, or to extend a known reservoir. Generally, an exploratory well is any well that is not a development well, a service well, or a stratigraphic test well as those items are defined below.

(11) Development well. A well drilled within the proved area of an oil or gas reservoir to the depth of a stratigraphic horizon known-to be productive.

(12) Service well. A well drilled or completed for the purpose of supporting production in an existing field. Specific purposes of service wells include gas injection, water injection, steam injection, air injection, salt-water disposal, water supply for injection, observation, or injection for in-situ combustion.

(13) *Stratigraphic test well*. A drilling effort, geologically directed, to obtain information pertaining to a specific geologic condition. Such wells customarily arc drilled without the intention of being completed for hydrocarbon production. This classification also includes tests identified as core tests and all types of expendable holes related to hydrocarbon exploration. Stratigraphic test wells are classified as (i) "exploratory type," if not drilled in a proved area, or (ii) "development type," if drilled in a proved area.

(14) Acquisition of properties. Costs incurred to purchase, lease or otherwise acquire a property, including costs of lease bonuses and options to purchase or lease properties, the portion of costs applicable to minerals when land including mineral rights is purchased in fee, brokers' fees, recording fees, legal costs, and other costs incurred in acquiring properties.

(15) Exploration costs. Costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects of containing oil and gas reserves, including costs of drilling exploratory wells and exploratory-type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property (sometimes referred to in part as prospecting costs) and after acquiring the property. Principal types of exploration costs, which include depreciation and applicable operating costs of support equipment and facilities and other costs of exploration activities, are:

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(i) Costs of topographical, geographical and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews, and others conducting those studies. Collectively, these are sometimes referred to as geological and geophysical or "G&G" costs.

(ii) Costs of carrying and retaining undeveloped properties, such as delay rentals, ad valorem taxes on properties, legal costs for title defense, and the maintenance of land and lease records.

(iii) Dry hole contributions and bottom hole contributions.

(iv) Costs of drilling and equipping exploratory wells.

(v) Costs of drilling exploratory-type stratigraphic test wells.

(16) Development costs. Costs incurred to obtain access to proved reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas. More specifically, development costs, including depreciation and applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to:

(i) Gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines, and power lines, to the extent necessary in developing the proved reserves.

(ii) Drill and equip development wells, development-type stratigraphic test wells, and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment, and the wellhead assembly.

(iii) Acquire, construct, and install production facilities such as lease flow lines, separators, treaters, heaters, manifolds, measuring devices, and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems.

(iv) Provide improved recovery systems.

(17) Production costs.

(i) Costs incurred to operate and maintain wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities. They become part of the cost of oil and gas produced. Examples of production costs (sometimes called lifting costs) are:

(A) Costs of labor to operate the wells and related equipment and facilities.

(B) Repairs and maintenance.

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(C) Materials, supplies, and fuel consumed and supplies utilized in operating the wells and related equipment and facilities.

(D) Property taxes and insurance applicable to proved properties and wells and related equipment and facilities.

(E) Severance taxes.

(ii) Some support equipment or facilities may serve two or more oil and gas producing activities and may also serve transportation, refining, and marketing activities. To the extent that the support equipment and facilities are used in oil and gas producing activities, their depreciation and applicable operating costs become exploration, development or production costs, as appropriate. Depreciation, depletion, and amortization of capitalized acquisition, exploration, and development costs are not production costs but also become part of the cost of oil and gas produced along with production (lifting) costs identified above.

Successful Efforts Method

(b) A reporting entity that follows the successful efforts method shall comply with the accounting and financial reporting disclosure requirements of Statement of Financial Accounting Standards No. 19, as amended.

Full Cost Method

(c) Application of the full cost method of accounting. A reporting entity that follows the full cost method shall apply that method to all of its operations and to the operations of its subsidiaries, as follows:

(1) Determination of cost centers. Cost centers shall be established-on a country-by-country basis.

(2) Costs to be capitalized. All costs associated with property acquisition, exploration, and development activities (as defined in paragraph (a) of this section) shall be capitalized within the appropriate cost center. Any internal costs that are capitalized shall be limited to those costs that can be directly identified with acquisition, exploration, and development activities undertaken by the reporting entity for its own account, and shall not include any costs related to production, general corporate overhead, or similar activities.

(3) Amortization of capitalized costs. Capitalized costs within a cost center shall be amortized on the unit-of-production basis using proved oil and gas reserves, as follows:

(i) Costs to be amortized shall include (A) all capitalized costs, less accumulated amortization, other than the cost of properties described in paragraph (ii) below; (B) the estimated future expenditures (based on current costs) to be incurred in developing proved reserves; and (C) estimated dismantlement and abandonment costs, net of estimated salvage values.

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(ii) The cost of investments in unproved properties and major development projects may be excluded from capitalized costs to be amortized, subject to the following:

(A) All costs directly associated with the acquisition and evaluation of unproved properties may be excluded from the amortization computation until it is determined whether or not proved reserves can be assigned to the properties, subject to the following conditions: (1) Until such a determination is made, the properties shall be assessed at least annually to ascertain whether impairment has occurred. Unevaluated properties whose costs are individually significant shall be assessed individually. Where it is not practicable to individually assess the amount of impairment of properties for which costs are not individually significant, such properties may be grouped for purposes of assessing impairment. Impairment may be estimated by applying factors based on historical experience and other data such as primary Lease terms of the properties, average holding periods of unproved properties, and geographic and geologic data to groupings of individually insignificant properties and projects. The amount of impairment assessed under either of these methods shall be added to the costs to be amortized. (2) The costs of drilling exploratory dry holes shall be included in the amortization base immediately upon determination that the well is dry. (3) If geological and geophysical costs cannot be directly associated with specific unevaluated properties, they shall be included in the full cost amortization base as incurred. Upon complete evaluation of a property, the total remaining excluded cost (net of any impairment) shall be included in the full cost amortization base.

(B) Certain costs may be excluded from amortization when incurred in connection with major development projects expected to entail significant costs to ascertain the quantities of proved reserves attributable to the properties under development (e.g., the installation of an offshore drilling platform from which development wells are to be drilled, the installation of improved recovery programs, and similar major projects undertaken in the expectation of Significant additions to proved reserves). The amounts which may be excluded are applicable portions of (1) the costs that relate to the major development project and have not previously been included in the amortization base, and (2) the estimated future expenditures associated with the development project. The excluded portion of any common costs associated with the development project should be based, as is most appropriate in the circumstances, on a comparison of either (i) existing proved reserves to total proved reserves expected to be established upon completion of the amortized until the earlier determination of wells to which proved reserves have been assigned and total number of wells expected to be drilled. Such costs may be excluded from costs to be amortized until the earlier determination of whether additional reserves are proved or impairment occurs.

(C) Excluded costs and the proved reserves related to such costs shall be transferred into the amortization base on an ongoing (well-by-well or property-by-property) basis as the project is evaluated and proved reserves established or impairment determined. Once proved reserves are established, there is no further justification for continued exclusion from the full cost amortization base even if other factors prevent immediate production or marketing.

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(iii) Amortization shall be computed on the basis of physical units, with oil and gas converted to a common unit of measure on the basis of their approximate relative energy content, unless economic circumstances (related to the effects of regulated prices) indicate that use of units of revenue is a more appropriate basis of computing amortization. In the latter case, amortization shall be computed on the basis of current gross revenues (excluding royalty payments and net profits disbursements) from production in relation to future cross revenues, based on current prices (including consideration of changes in existing prices provided only by contractual arrangements), from estimated production of proved oil and gas reserves. The effect of a significant price increase during the year on estimated future gross revenues shall be reflected in the amortization provision only for the period after the price increase occurs.

(iv) In some cases it may be more appropriate to depreciate natural gas cycling and processing plants by a method other than the unit-of-production method.

(v) Amortization computations shall be made on a consolidated basis, including investees accounted for on a proportionate consolidation basis. Investees accounted for on the equity method shall be treated separately.

(4) Limitation on capitalized costs:

(i) For each cost center, capitalized costs, less accumulated amortization and related deferred income taxes, shall not exceed an amount (the cost center ceiling) equal to the sum of:

(A) the present value of estimated future net revenues computed by applying current prices of oil and gas reserves (with consideration of price changes only to the extent provided by contractual arrangements) to estimated future production of proved oil and gas reserves as of the date of the latest balance sheet presented, less estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves computed using a discount factor of ten percent and assuming continuation of existing economic conditions; plus

(B) the cost of properties not being amortized pursuant to paragraph (i)(3)(ii) of this section; plus

(C) the lower of cost or estimated fair value of unproven properties included in the costs being amortized; less

(D) income tax effects related to differences between the book and tax basis of the properties referred to in paragraphs (i)(4)(i)(B) and (C) of this section.

(ii) If unamortized costs capitalized within a cost center, less related deferred income taxes, exceed the cost center ceiling, the excess shall be charged to expense and separately disclosed during the period in which the excess occurs. Amounts thus required to be written off shall not be reinstated for any subsequent increase in the cost center ceiling.

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(5) Production costs. All costs relating to production activities, including workover costs incurred solely to maintain or increase levels of production from an existing completion interval, shall be charged to expense as incurred.

(6) Other transactions. The provisions of paragraph (h) of this section, "Mineral property conveyances and related transactions if the successful efforts method of accounting is followed," shall apply also to those reporting entities following the full cost method except as follows:

(i) Sales and abandonments of oil and gas properties. Sales of oil and gas properties, whether or not being amortized currently, shall be accounted for as adjustments of capitalized costs, with no gain or loss recognized, unless such adjustments would significantly alter the relationship between capitalized costs and proved reserves of oil and gas attributable to a cost center. For instance, a significant alteration would not ordinarily be expected to occur for sales involving less than 25 percent of the reserve quantities of a given cost center. If gain or loss is recognized on such a sale, total capitalization costs within the cost center shall be allocated between the reserves sold and reserves retained on the same basis used to compute amortization, unless there are substantial economic differences between the properties sold and those retained, in which case capitalized costs; that is, the cost of abandoned properties shall be charged to the full cost center and amortized (subject to the limitation on capitalized costs in paragraph (b) of this section).

(ii) Purchases of reserves. Purchases of oil and gas reserves in place ordinarily shall be accounted for as additional capitalized costs within the applicable cost center; however, significant purchases of production payments or properties with lives substantially shorter than the composite productive life of the cost center shall be accounted for separately.

(iii) Partnerships, joint ventures and drilling arrangements.

(A) Except as provided in subparagraph (i)(6)(i) of this section, all consideration received from sales or transfers of properties in connection with partnerships, joint venture operations, or various other forms of drilling arrangements involving oil and gas exploration and development activities (e.g., carried interest, turnkey wells, management fees, etc.) shall be credited to the full cost account, except to the extent of amounts that represent reimbursement of organization, offering, general and administrative expenses, etc., that are identifiable with the transaction, if such amounts are currently incurred and charged to expense.

(B) Where a registrant organizes and manages a limited partnership involved only in the purchase of proved developed properties and subsequent distribution of income from such properties, management fee income may be recognized provided the properties involved do not require aggregate development expenditures in connection with production of existing proved reserves in excess of 10% of the partnership's recorded cost of such properties. Any income not recognized as a result of this limitation would be credited to the full cost account and recognized through a lower amortization provision as reserves are produced.

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(iv) Other services. No income shall be recognized in connection with contractual services performed (e.g. drilling, well service, or equipment supply services, etc.) in connection with properties in which the registrant or an affiliate (as defined in § 210.1 -02(b)) holds an ownership or other economic interest, except as follows:

(A) Where the registrant acquires an interest in the properties in connection with the service contract, income may be recognized to the extent the cash consideration received exceeds the related contract costs plus the registrant's share of costs incurred and estimated to be incurred in connection with the properties. Ownership interests acquired within one year of the date of such a contract are considered to be acquired in connection with the service for purposes of applying this rule. The amount of any guarantees or similar arrangements undertaken as part of this contract should be considered as part of the costs related to the properties for purposes of applying this rule.

(B) Where the registrant acquired an interest in the properties at least one year before the date of the service contract through transactions unrelated to the service contract, and that interest is unaffected by the service contract, income from such contract may be recognized subject to the general provisions for elimination of intercompany profit under generally accepted accounting principles.

(C) Notwithstanding the provisions of (A) and (B) above, no income may be recognized for contractual services performed on behalf of investors in oil and gas producing activities managed by the registrant or an affiliate. Furthermore, no income may be recognized for contractual services to the extent that the consideration received for such services represents an interest in the underlying property.

(D) Any income not recognized as a result of these rules would be credited to the full cost account and recognized through a lower amortization provision as reserves are produced.

(7) Disclosures. Reporting entities that follow the full cost method of accounting shall disclose all of the information required by paragraph (k) of this section, with each cost center considered as a separate geographic area, except that reasonable groupings may be made of cost centers that are not significant in the aggregate. In addition:

(i) For each cost center for each year that an income statement is required, disclose the total amount of amortization expense (per equivalent physical unit of production if amortization is computed on the basis of physical units or per dollar of gross revenue from production if amortization is computed on the basis of gross revenue).

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(ii) State separately on the face of the balance sheet the aggregate of the capitalized costs of unproved properties and major development projects that are excluded, in accordance with paragraph (i)(3) of this section, from the capitalized costs being amortized. Provide a description in the notes to the financial statements of the current status of the significant properties or projects involved, including the anticipated timing of the inclusion of the costs in the amortization computation. Present a table that shows, by category of cost, (A) the total costs excluded as of the most recent fiscal year; and (B) the amounts of such excluded costs, incurred (1) in each of the three most recent fiscal years and (2) in the aggregate for any earlier fiscal years in which the costs were incurred. Categories of cost to be disclosed include acquisition costs, exploration costs, development costs in the case of significant development projects and capitalized interest.

Income taxes

(d) Income taxes. Comprehensive inter-period income tax allocation by a method which complies with generally accepted accounting principles shall be followed for intangible drilling and development costs and other costs incurred that enter into the determination of taxable income and pretax accounting income in different periods.

Report Definitions

Authority for Expenditure	(AFE) A document prepared by the operator that lists the estimated costs of drilling, completing, working over or plugging a well or some other major cost associated with the well or lease. The document is provided to partners for approval. Failure to approve an AFE may result in a paralty or loss of interact demonstrated
Barrels of Oil Equivalent	(BOE) Barrels of Oil Equivalent is a unit of energy based on the approximate energy released from burning one barrel of oil roughly equal to 6,000 cubic feet of natural gas
Behind Pipe	A term referring to up-hole potential in another sand encountered in the same well.
BWPD	Acronym for "Barrels of Water per Day" and refers to the volume of water in barrels that are produced in a 24 hour day.
Cash Flow	Cash flow is the profit the interest owner receives from its share of revenue after taxes, expenses and costs are
Completion	A generic term used to describe the down hole assembly and equipment required to enable production of oil and/or gas from a well.
Cum Cut Plot	A graph of water cut or oil cut on the ordinate (y_{ray} and cumulative oil production on the abscissa (y_{ray} and to predict ultimate
Cum Cut 1 lot	A graph of water to one to the or of the or of the or of the one of the one of the observes (x-axis) used to predict utilitate cumulative oil production at some limit of water or oil cut
Decline Curve	A method of estimating petroleum reserves by determining the natural production decline of a well and extrapolating to predict future
Depletion Drive	production. The reservoir drive mechanism in which oil is produced by the expansion of the volume of the gas in solution
Fair Market Value	(FMV) The Fair Market Value is defined as the amount at which property would transfer between a willing buyer and a willing seller neither
	being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.
Farmout	A contractual agreement with an owner who holds a working interest in an oil and gas lease to assign all or part of that interest to another
	party in exchange for fulfilling contractually specified conditions such as drilling a well or installing equipment.
Gas Lift	A method of raising oil in the wellbore from a lower depth to the surface by injecting gas in the well from the casing through the tubing via
	gas lift valves installed in the tubing.
Gross Reserves (Oil or Gas)	The volume of reserves attributed to the whole (100%).
Internal Rate of Return	(IROR) The interest rate which makes the present value of the revenues equal to the present value of the expenditures. In other words, the
	discounting rate which makes the net present value equal to zero.
Lease Operating Expense	(LOE) The Lease Operating Expenses include such things as direct operating costs, overhead, production (severance) taxes and ad valorem
	(property) taxes attributed to the lease (or well) and paid in the year which they are incurred. In the detailed economic projection(s), Net
MCED	Lease Cost or Net well Cost may be synonymous with the LOEs paid by the working interest ownership being evaluated.
NICED Naturally Occurring	Action minimum for the of das per Day and refers to the volume of gas in moustand cubic feet that are produced in a 24 nour day.
Radioactive Material (NORM)	(NORM) Naturally Occurring Ratioactive Material is fault active deposits such as scale found in tubulars.
Net Ad Valorem Tax	The property tax paid by the interest owner on drilling rigs, production equipment, etc.
Net Investment	As related to the economic forecast(s) attached herein, it is either the drilling, completion or plugging costs to the working interest being
	evaluated.
Net Lease Cost	See Lease Operating Expense.
Net Production Tax	The state severance tax that the interest owner pays on oil and/or gas levied when removed from the ground. The tax can be levied as a
	percent of the mineral value or in cents per barrel of oil/mcf of gas.
Net Reserves (Oil or Gas)	The volume of reserves attributed to a certain interest.
Net Revenue	Net revenue is the inflow of money as a result of oil and gas sales that the interest owner receives from its share of production. This income
Not Dovonyo Internet	is before paying taxes, expenses and costs. (DDI) The forging along (u) (u) to be been $2/4$ and $7/2$) of all all and are modulating gauging from the local many ice that accests the
Net Revenue Interest	(NKI) The fractional share (usually between 5/4 and 7/8) of an on and gas production revenue from the leased premises that goes to the working interact
Net Well Cost	See Lease Operating Expense
On-line	Refers to the status of a well that is producing.
Overriding Royalty Interest	Ownership in a percentage of production revenues, free of the cost of production.
Payout	(PO) Payout is the length of time after initial investment until accumulated net revenues from production equal all costs of leasing, exploring,
-	drilling and operating.
Permeability	A measure of the ability of a rock to conduct a fluid through its interconnected pore space when that fluid is at 100% saturation.
Plug and Abandonment	(P&A) A term referring to when a well is shut-in permenantly and closed off from the surface by placing cement plugs (among other
	techniques) in the wellbore to isolate the higher pressured formation sands from the surface. Many times the well casing is cut below the
D	plow depth and a steel plate welded on top, but in some states the casing is extended above ground and flagged.
Porosity	The variable of the pore spaces in rock grains compared to the total rock volume.
Reserves	The unproduced but recoverable on and/or gas in place in a tomation (reservoir). There are four basis criteria which must be satisfied for petroleum denosities to be considered reserves; they must be discovered recoverable commercial and remaining as of the effective date of the
	evaluation. Please refer to the Petroleum Resources Management System definitions for classification and categorization of reserves.
Reservoir	A subsurface porous, permeable rock body in which oil or gas or both can be stored.
Return on Investment	(ROI) The ratio of profit to investment (also called "profit to investment ratio").
Royalty Interest	(R) The fractional share (usually between $1/8$ and $1/4$) of the total oil and gas production revenue from the leased premises free of all costs
Sand (Formation)	and expenses (except taxes).
Shut in	A general term applied in the on and gas mousily to refer to the stata of interest.
SWD	Acronym for Saltwater Disposal Well
Sweep Efficiency	A measure of the effectiveness in the water displacing the oil as the water sweeps through the reservoir.
Thickness	Usually refers to bed or sand thickness.
Viscosity	One of the physical properties of a liquid which is a direct measurement of its ability to flow.
Volumetric Calculation	A method of estimating petroleum reserves by determining the net thickness, porosity, water saturation and other properties of the oil and/or
	gas and reservoir.
Water Drive	The reservoir drive mechanism in which oil is produced by the expansion of the volume of the underlying water, which forces the oil into the
Watan Caturation	Wellbore.
water Saturation	I ne percentage of the pore volume of a rock occupied by water.
working interest	operating expenses.

SEC Proved Oil and Gas Reserve Definitions

- Proved Reserves
- Proved Developed Reserves
- Proved Undeveloped Reserves
- Reserve Status Categories (producing, non-producing, etc)

INTRODUCTION

Financial Accounting and Reporting for Oil and Gas Producing Activities Pursuant to the Federal Securities Laws and the Energy Policy and Conservation Act of 1975

Reg. § 210.4 -10.

This section prescribes financial accounting and reporting standards for registrants with the Commission engaged in oil and gas producing activities in filings under the federal securities laws and for the preparation of accounts by persons engaged, in whole or in part, in the production of crude oil or natural gas in the United States, pursuant to Section 503 of the Energy Policy and Conservation Act of 1975 [42 U.S.C. 6383] ("EPCA") and section 11(c) of the Energy Supply and Environmental Coordination Act of 1974 [IS U.S.C. 796] ("ESECA"), as amended by section 505 of EPCA. The application of this section to those oil and gas producing operations of companies regulated for rate-making purposes on an individual-company-cost-of-service basis may, however, give appropriate recognition to differences arising because of the effect of the rate-making process.

Exemption. Any person exempted by the Department of Energy from any record-keeping or reporting requirements pursuant to Section 11(c) of ESECA, as amended, is similarly exempted from the related provisions of this section in the preparation of accounts pursuant to EPCA. This exemption does not affect the applicability of this section to filings pursuant to the federal securities laws.

Definitions

(a) Definitions. The following definitions apply to the terms listed below as they are used in this section:

(1) Oil and gas producing activities.

(i) Such activities include:

(A) The search for crude oil, including condensate and natural gas liquids, or natural gas ("oil and gas") in their natural states and original locations.

(B) The acquisition of property rights or properties for the purpose of further exploration and/or for the purpose of removing the oil or gas from existing reservoirs on those properties.

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(C) The construction, drilling and production activities necessary to retrieve oil and gas from its natural reservoirs, and the acquisition, construction, installation, and maintenance of field gathering and storage systems -including lifting the oil and gas to the surface and gathering, treating, field processing (as in the case of processing gas to extract liquid hydrocarbons) and field storage. For purposes of this section, the oil and gas production function shall normally be regarded as terminating at the outlet valve on the lease or field storage tank; if unusual physical or operational circumstances exist, it may be appropriate to regard the production functions as terminating at the first point at which oil, gas, or gas liquids are delivered to a main pipeline, a common carrier, a refinery, or a marine terminal.

(ii) Oil and gas producing activities do not include:

(A) The transporting, refining and marketing of oil and gas.

(B) Activities relating to the production of natural resources other than oil and gas.

(C) The production of geothermal steam or the extraction of hydrocarbons as a byproduct of the production of geothermal steam or associated geothermal resources as defined in the Geothermal Steam Act of 1970.

(D) The extraction of hydrocarbons from shale, tar sands, or coal.

(2) Proved oil and gas reserves. Proved oil and gas reserves are the estimated quantities of crude oil, natural gas, and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Prices include consideration of changes in existing prices provided only by contractual arrangements, but not on escalations based upon future conditions.

(i) Reservoirs are considered proved if economic producibility is supported by either actual production or conclusive formation test. The area of a reservoir considered proved includes (A) that portion delineated by drilling and defined by gas-oil and/or oil-water contacts, if any; and (B) the immediately adjoining portions not yet drilled, but which can be reasonably judged as economically productive on the basis of available geological and engineering data. In the absence of information on fluid contacts, the lowest known structural occurrence of hydrocarbons controls the lower proved limit of the reservoir.

(ii) Reserves which can be produced economically through application of improved recovery techniques (such as fluid injection) are included in the "proved" classification when successful testing by a pilot project, or the operation of an installed program in the reservoir, provides support for the engineering analysis on which the project or program was based.

(iii) Estimates of proved reserves do not include the following:

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(A) oil that may become available from known reservoirs but is classified separately as "indicated additional reserves";

(B) crude oil, natural gas, and natural gas liquids, the recovery of which is subject to reasonable doubt because of uncertainty as to geology, reservoir characteristics, or economic factors;

(C) crude oil, natural gas, and natural gas liquids, that may occur in undrilled prospects; and

(D) crude oil, natural gas, and natural gas liquids, that may be recovered from oil shales, coal, gilsonite and other such sources.

RESERVE STATUS CATEGORIES

(3) Proved developed oil and gas reserves. Proved developed oil and gas reserves are reserves that can be expected to be recovered through existing wells with existing equipment and operating methods. Additional oil and gas expected to be obtained through the application of fluid injection or other improved recovery techniques for supplementing the natural forces and mechanisms of primary recovery should be included as "proved developed reserves" only after testing by a pilot project or after the operation of an installed program has confirmed through production response that increased recovery will be achieved.

(4) Proved undeveloped reserves. Proved undeveloped oil and gas reserves are reserves that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion. Reserves on undrilled acreage shall be limited to those drilling units offsetting productive units that are reasonably certain of production when drilled. Proved reserves for other undrilled units can be claimed only where it can be demonstrated with certainty that there is continuity of production from the existing productive formation. Under no circumstances should estimates, for proved 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 tests in the area and in the same reservoir.

(5) Proved properties. Properties with proved reserves.

UNPROVED RESERVES

(6) Unproved properties. Properties with no proved reserves.

(7) Proved area. The part of a property to which proved reserves have been specifically attributed.

(8) Field. An area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition.

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There may be two or more reservoirs in a field which are separated vertically by intervening impervious strata, or laterally by local geologic barriers, or by both. Reservoirs that are associated by being in overlapping or adjacent fields may be treated as a single or common operational field. The geological terms "structural feature" and "stratigraphic condition" are intended to identify localized geological features as opposed to the broader terms of basins, trends, provinces, plays, areas-of-interest, etc.

(9) Reservoir. A porous and permeable underground formation containing a natural accumulation of producible oil and/or gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

(10) *Exploratory well*. A well drilled to find and produce oil or gas in an unproved area, to find a new reservoir in a field previously found to be productive of oil or gas in another reservoir, or to extend a known reservoir. Generally, an exploratory well is any well that is not a development well, a service well, or a stratigraphic test well as those items are defined below.

(11) Development well. A well drilled within the proved area of an oil or gas reservoir to the depth of a stratigraphic horizon known-to be productive.

(12) Service well. A well drilled or completed for the purpose of supporting production in an existing field. Specific purposes of service wells include gas injection, water injection, steam injection, air injection, salt-water disposal, water supply for injection, observation, or injection for in-situ combustion.

(13) *Stratigraphic test well*. A drilling effort, geologically directed, to obtain information pertaining to a specific geologic condition. Such wells customarily arc drilled without the intention of being completed for hydrocarbon production. This classification also includes tests identified as core tests and all types of expendable holes related to hydrocarbon exploration. Stratigraphic test wells are classified as (i) "exploratory type," if not drilled in a proved area, or (ii) "development type," if drilled in a proved area.

(14) Acquisition of properties. Costs incurred to purchase, lease or otherwise acquire a property, including costs of lease bonuses and options to purchase or lease properties, the portion of costs applicable to minerals when land including mineral rights is purchased in fee, brokers' fees, recording fees, legal costs, and other costs incurred in acquiring properties.

(15) Exploration costs. Costs incurred in identifying areas that may warrant examination and in examining specific areas that are considered to have prospects of containing oil and gas reserves, including costs of drilling exploratory wells and exploratory-type stratigraphic test wells. Exploration costs may be incurred both before acquiring the related property (sometimes referred to in part as prospecting costs) and after acquiring the property. Principal types of exploration costs, which include depreciation and applicable operating costs of support equipment and facilities and other costs of exploration activities, are:

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(i) Costs of topographical, geographical and geophysical studies, rights of access to properties to conduct those studies, and salaries and other expenses of geologists, geophysical crews, and others conducting those studies. Collectively, these are sometimes referred to as geological and geophysical or "G&G" costs.

(ii) Costs of carrying and retaining undeveloped properties, such as delay rentals, ad valorem taxes on properties, legal costs for title defense, and the maintenance of land and lease records.

(iii) Dry hole contributions and bottom hole contributions.

(iv) Costs of drilling and equipping exploratory wells.

(v) Costs of drilling exploratory-type stratigraphic test wells.

(16) Development costs. Costs incurred to obtain access to proved reserves and to provide facilities for extracting, treating, gathering and storing the oil and gas. More specifically, development costs, including depreciation and applicable operating costs of support equipment and facilities and other costs of development activities, are costs incurred to:

(i) Gain access to and prepare well locations for drilling, including surveying well locations for the purpose of determining specific development drilling sites, clearing ground, draining, road building, and relocating public roads, gas lines, and power lines, to the extent necessary in developing the proved reserves.

(ii) Drill and equip development wells, development-type stratigraphic test wells, and service wells, including the costs of platforms and of well equipment such as casing, tubing, pumping equipment, and the wellhead assembly.

(iii) Acquire, construct, and install production facilities such as lease flow lines, separators, treaters, heaters, manifolds, measuring devices, and production storage tanks, natural gas cycling and processing plants, and central utility and waste disposal systems.

(iv) Provide improved recovery systems.

(17) Production costs.

(i) Costs incurred to operate and maintain wells and related equipment and facilities, including depreciation and applicable operating costs of support equipment and facilities and other costs of operating and maintaining those wells and related equipment and facilities. They become part of the cost of oil and gas produced. Examples of production costs (sometimes called lifting costs) are:

(A) Costs of labor to operate the wells and related equipment and facilities.

(B) Repairs and maintenance.

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(C) Materials, supplies, and fuel consumed and supplies utilized in operating the wells and related equipment and facilities.

(D) Property taxes and insurance applicable to proved properties and wells and related equipment and facilities.

(E) Severance taxes.

(ii) Some support equipment or facilities may serve two or more oil and gas producing activities and may also serve transportation, refining, and marketing activities. To the extent that the support equipment and facilities are used in oil and gas producing activities, their depreciation and applicable operating costs become exploration, development or production costs, as appropriate. Depreciation, depletion, and amortization of capitalized acquisition, exploration, and development costs are not production costs but also become part of the cost of oil and gas produced along with production (lifting) costs identified above.

Successful Efforts Method

(b) A reporting entity that follows the successful efforts method shall comply with the accounting and financial reporting disclosure requirements of Statement of Financial Accounting Standards No. 19, as amended.

Full Cost Method

(c) Application of the full cost method of accounting. A reporting entity that follows the full cost method shall apply that method to all of its operations and to the operations of its subsidiaries, as follows:

(1) Determination of cost centers. Cost centers shall be established-on a country-by-country basis.

(2) Costs to be capitalized. All costs associated with property acquisition, exploration, and development activities (as defined in paragraph (a) of this section) shall be capitalized within the appropriate cost center. Any internal costs that are capitalized shall be limited to those costs that can be directly identified with acquisition, exploration, and development activities undertaken by the reporting entity for its own account, and shall not include any costs related to production, general corporate overhead, or similar activities.

(3) Amortization of capitalized costs. Capitalized costs within a cost center shall be amortized on the unit-of-production basis using proved oil and gas reserves, as follows:

(i) Costs to be amortized shall include (A) all capitalized costs, less accumulated amortization, other than the cost of properties described in paragraph (ii) below; (B) the estimated future expenditures (based on current costs) to be incurred in developing proved reserves; and (C) estimated dismantlement and abandonment costs, net of estimated salvage values.

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(ii) The cost of investments in unproved properties and major development projects may be excluded from capitalized costs to be amortized, subject to the following:

(A) All costs directly associated with the acquisition and evaluation of unproved properties may be excluded from the amortization computation until it is determined whether or not proved reserves can be assigned to the properties, subject to the following conditions: (1) Until such a determination is made, the properties shall be assessed at least annually to ascertain whether impairment has occurred. Unevaluated properties whose costs are individually significant shall be assessed individually. Where it is not practicable to individually assess the amount of impairment of properties for which costs are not individually significant, such properties may be grouped for purposes of assessing impairment. Impairment may be estimated by applying factors based on historical experience and other data such as primary Lease terms of the properties, average holding periods of unproved properties, and geographic and geologic data to groupings of individually insignificant properties and projects. The amount of impairment assessed under either of these methods shall be added to the costs to be amortized. (2) The costs of drilling exploratory dry holes shall be included in the amortization base immediately upon determination that the well is dry. (3) If geological and geophysical costs cannot be directly associated with specific unevaluated properties, they shall be included in the full cost amortization base as incurred. Upon complete evaluation of a property, the total remaining excluded cost (net of any impairment) shall be included in the full cost amortization base.

(B) Certain costs may be excluded from amortization when incurred in connection with major development projects expected to entail significant costs to ascertain the quantities of proved reserves attributable to the properties under development (e.g., the installation of an offshore drilling platform from which development wells are to be drilled, the installation of improved recovery programs, and similar major projects undertaken in the expectation of Significant additions to proved reserves). The amounts which may be excluded are applicable portions of (1) the costs that relate to the major development project and have not previously been included in the amortization base, and (2) the estimated future expenditures associated with the development project. The excluded portion of any common costs associated with the development project should be based, as is most appropriate in the circumstances, on a comparison of either (i) existing proved reserves to total proved reserves expected to be established upon completion of the amortized until the earlier determination of wells to which proved reserves have been assigned and total number of wells expected to be drilled. Such costs may be excluded from costs to be amortized until the earlier determination of whether additional reserves are proved or impairment occurs.

(C) Excluded costs and the proved reserves related to such costs shall be transferred into the amortization base on an ongoing (well-by-well or property-by-property) basis as the project is evaluated and proved reserves established or impairment determined. Once proved reserves are established, there is no further justification for continued exclusion from the full cost amortization base even if other factors prevent immediate production or marketing.

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(iii) Amortization shall be computed on the basis of physical units, with oil and gas converted to a common unit of measure on the basis of their approximate relative energy content, unless economic circumstances (related to the effects of regulated prices) indicate that use of units of revenue is a more appropriate basis of computing amortization. In the latter case, amortization shall be computed on the basis of current gross revenues (excluding royalty payments and net profits disbursements) from production in relation to future cross revenues, based on current prices (including consideration of changes in existing prices provided only by contractual arrangements), from estimated production of proved oil and gas reserves. The effect of a significant price increase during the year on estimated future gross revenues shall be reflected in the amortization provision only for the period after the price increase occurs.

(iv) In some cases it may be more appropriate to depreciate natural gas cycling and processing plants by a method other than the unit-of-production method.

(v) Amortization computations shall be made on a consolidated basis, including investees accounted for on a proportionate consolidation basis. Investees accounted for on the equity method shall be treated separately.

(4) Limitation on capitalized costs:

(i) For each cost center, capitalized costs, less accumulated amortization and related deferred income taxes, shall not exceed an amount (the cost center ceiling) equal to the sum of:

(A) the present value of estimated future net revenues computed by applying current prices of oil and gas reserves (with consideration of price changes only to the extent provided by contractual arrangements) to estimated future production of proved oil and gas reserves as of the date of the latest balance sheet presented, less estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves computed using a discount factor of ten percent and assuming continuation of existing economic conditions; plus

(B) the cost of properties not being amortized pursuant to paragraph (i)(3)(ii) of this section; plus

(C) the lower of cost or estimated fair value of unproven properties included in the costs being amortized; less

(D) income tax effects related to differences between the book and tax basis of the properties referred to in paragraphs (i)(4)(i)(B) and (C) of this section.

(ii) If unamortized costs capitalized within a cost center, less related deferred income taxes, exceed the cost center ceiling, the excess shall be charged to expense and separately disclosed during the period in which the excess occurs. Amounts thus required to be written off shall not be reinstated for any subsequent increase in the cost center ceiling.

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(5) Production costs. All costs relating to production activities, including workover costs incurred solely to maintain or increase levels of production from an existing completion interval, shall be charged to expense as incurred.

(6) Other transactions. The provisions of paragraph (h) of this section, "Mineral property conveyances and related transactions if the successful efforts method of accounting is followed," shall apply also to those reporting entities following the full cost method except as follows:

(i) Sales and abandonments of oil and gas properties. Sales of oil and gas properties, whether or not being amortized currently, shall be accounted for as adjustments of capitalized costs, with no gain or loss recognized, unless such adjustments would significantly alter the relationship between capitalized costs and proved reserves of oil and gas attributable to a cost center. For instance, a significant alteration would not ordinarily be expected to occur for sales involving less than 25 percent of the reserve quantities of a given cost center. If gain or loss is recognized on such a sale, total capitalization costs within the cost center shall be allocated between the reserves sold and reserves retained on the same basis used to compute amortization, unless there are substantial economic differences between the properties sold and those retained, in which case capitalized costs; that is, the cost of abandoned properties shall be charged to the full cost center and amortized (subject to the limitation on capitalized costs in paragraph (b) of this section).

(ii) Purchases of reserves. Purchases of oil and gas reserves in place ordinarily shall be accounted for as additional capitalized costs within the applicable cost center; however, significant purchases of production payments or properties with lives substantially shorter than the composite productive life of the cost center shall be accounted for separately.

(iii) Partnerships, joint ventures and drilling arrangements.

(A) Except as provided in subparagraph (i)(6)(i) of this section, all consideration received from sales or transfers of properties in connection with partnerships, joint venture operations, or various other forms of drilling arrangements involving oil and gas exploration and development activities (e.g., carried interest, turnkey wells, management fees, etc.) shall be credited to the full cost account, except to the extent of amounts that represent reimbursement of organization, offering, general and administrative expenses, etc., that are identifiable with the transaction, if such amounts are currently incurred and charged to expense.

(B) Where a registrant organizes and manages a limited partnership involved only in the purchase of proved developed properties and subsequent distribution of income from such properties, management fee income may be recognized provided the properties involved do not require aggregate development expenditures in connection with production of existing proved reserves in excess of 10% of the partnership's recorded cost of such properties. Any income not recognized as a result of this limitation would be credited to the full cost account and recognized through a lower amortization provision as reserves are produced.

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(iv) Other services. No income shall be recognized in connection with contractual services performed (e.g. drilling, well service, or equipment supply services, etc.) in connection with properties in which the registrant or an affiliate (as defined in § 210.1 -02(b)) holds an ownership or other economic interest, except as follows:

(A) Where the registrant acquires an interest in the properties in connection with the service contract, income may be recognized to the extent the cash consideration received exceeds the related contract costs plus the registrant's share of costs incurred and estimated to be incurred in connection with the properties. Ownership interests acquired within one year of the date of such a contract are considered to be acquired in connection with the service for purposes of applying this rule. The amount of any guarantees or similar arrangements undertaken as part of this contract should be considered as part of the costs related to the properties for purposes of applying this rule.

(B) Where the registrant acquired an interest in the properties at least one year before the date of the service contract through transactions unrelated to the service contract, and that interest is unaffected by the service contract, income from such contract may be recognized subject to the general provisions for elimination of intercompany profit under generally accepted accounting principles.

(C) Notwithstanding the provisions of (A) and (B) above, no income may be recognized for contractual services performed on behalf of investors in oil and gas producing activities managed by the registrant or an affiliate. Furthermore, no income may be recognized for contractual services to the extent that the consideration received for such services represents an interest in the underlying property.

(D) Any income not recognized as a result of these rules would be credited to the full cost account and recognized through a lower amortization provision as reserves are produced.

(7) Disclosures. Reporting entities that follow the full cost method of accounting shall disclose all of the information required by paragraph (k) of this section, with each cost center considered as a separate geographic area, except that reasonable groupings may be made of cost centers that are not significant in the aggregate. In addition:

(i) For each cost center for each year that an income statement is required, disclose the total amount of amortization expense (per equivalent physical unit of production if amortization is computed on the basis of physical units or per dollar of gross revenue from production if amortization is computed on the basis of gross revenue).

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(ii) State separately on the face of the balance sheet the aggregate of the capitalized costs of unproved properties and major development projects that are excluded, in accordance with paragraph (i)(3) of this section, from the capitalized costs being amortized. Provide a description in the notes to the financial statements of the current status of the significant properties or projects involved, including the anticipated timing of the inclusion of the costs in the amortization computation. Present a table that shows, by category of cost, (A) the total costs excluded as of the most recent fiscal year; and (B) the amounts of such excluded costs, incurred (1) in each of the three most recent fiscal years and (2) in the aggregate for any earlier fiscal years in which the costs were incurred. Categories of cost to be disclosed include acquisition costs, exploration costs, development costs in the case of significant development projects and capitalized interest.

Income taxes

(d) Income taxes. Comprehensive inter-period income tax allocation by a method which complies with generally accepted accounting principles shall be followed for intangible drilling and development costs and other costs incurred that enter into the determination of taxable income and pretax accounting income in different periods.

Economic One-Liners

12/6/2011	4:25:18 PM					
Project Nat	ne :	Lexaria - 10/31/2011				
Ownership	Group :	Lexaria Corp				
As of Date:		10/31/2011				

	Gross Reserves		Net Reserves		Net Revenue			Expense	_	Cash Flo	W
Lease Name	Oil	Gas	Oil	Gas	Oil	Gas	Other	& Tax	Invest.	Non-Disc.	Disc. 10%
Risked / UnRisked	(Mbbl)	(MMcf)	(Mbbl)	(MMcf)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Proved Producing Ray Class & Category											
PP F 12-1	49.92	0.00	13.63	0.00	1,482,067.31	0.00	0.00	406,042.98	1,999.20	1,074,025.14	843,905.61
PP F 12-3	40.60	0.00	11.09	0.00	1,205,534.30	0.00	0.00	466,569.29	1,999.20	736,965.82	585,574.00
PP F 12-4	64.57	0.00	17.63	0.00	1,917,026.37	0.00	0.00	607,256.61	1,999.20	1,307,770.56	900,393.65
PP F 12-4 Nonconsent		0.00	2.86	0.00	310,752.14	0.00	0.00	93,834.16	0.00	216,917.98	158,057.09
PP F-12-5	74.60	0.00	20.37	0.00	2,214,906.43	0.00	0.00	804,650.08	1,999.20	1,408,257,14	902,852.01
PP F-12-5 Nonconsent		0.00	2.50	0.00	272,001.96	0.00	0.00	84,032.59	0.00	187,969.38	141,013.93
	229.69	0.00	68.07	0.00	7,402,288.51	0.00	0.00	2,462,385.70	7,996.80	4,931,906.01	3,531,796.30
Proved Undeveloped Rsv Class & Category											
PP F-12-6	80.32	0.00	21.93	0.00	2,384,644.46	0.00	0.00	486,685.75	290,590.86	1,607,367.85	1,144,893.36
PP F-12-7	80.32	0.00	21.93	0.00	2,384,644.46	0.00	0.00	486,685.75	290,590.86	1,607,367.85	1,144,893.36
PP F-12-8	80.32	0.00	21.93	0.00	2,384,644,46	0.00	0.00	486,966.61	240,759.96	1,656,917.90	1,124,993.98
PP F-12-9	80.32	0.00	21.93	0.00	2,384,644.46	0.00	0.00	486,966.61	240,759.96	1,656,917.90	1,124,993.98
	321.27	0.00	87.72	0.00	9,538,577.85	0.00	0.00	1,947,304.72	1,062,701.64	6,528,571.49	4,539,774.68
Total Proved Rsv Class	550.96	0.00	155.79	0.00	16,940,866.36	0.00	0.00	4,409,690.42	1,070,698.44	11,460,477.50	8,071,570.97
Probable Behind Pipe Rsy Class & Category											
PP F 39 PBP 1 - No. 1	8.73	0.00	2.38	0.00	259.075.27	0.00	0.00	42 889 77	36,384,60	179 800 90	114 236 51
Probable Shut-In Rsv Class & Category								100			8
PP F 39 - No. 1	0.00	55.08	0.00	15.04	0.00	63,163.26	0.00	33,576.71	3,150.00	26,436.56	21,027.79
Total Probable Rsv Class	8.73	55.08	2.38	15.04	259,075.27	63,163.26	0.00	76,466.48	39,534.60	206,237.46	135,264.30
Crand Total	550 60	55.00	150 15	15.04	17 100 041 62	62 162 16	0.00	4 496 156 00	1 110 222 04	11 666 71 (06	8 206 835 27

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Date: 12/08/2011 9:55:52AM

 Project Name :
 Lexaria - 10/31/2011

 Partner :
 Lexaria Corp

 Case Type :
 LEASE CASE

 Archive Set :
 default

ECONOMIC PROJECTION

Case: PDF 12-1 Reserve Cat: Proved Producing Field: Belmont Operator: Griffin & Griffin Expl, LLC Reservoir: 2,300 Ft Sand Co., State: Wilkinson, MS
Contraction of the second seco

			2 Contract C								
Cum Oil (Mbbl)):	67.05									
Cum Gas (MMc	cf):	0.00									
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)		
2011	1.99	0.00	0.54	0.00	108.74	0.00	59,030.80	0.00	0.00		
2012	10.85	0.00	2.96	0.00	108.74	0.00	322,059.25	0.00	0.00		
2013	9.46	0.00	2.58	0.00	108.74	0.00	280,942.42	0.00	0.00		
2014	8.34	0.00	2.28	0.00	108.74	0.00	247,468.54	0.00	0.00		
2015	7.39	0.00	2.02	0.00	108.74	0.00	219,323.91	0.00	0.00		
2016	6.60	0.00	1.80	0.00	108.74	0.00	195,971.30	0.00	0.00		
2017	5.30	0.00	1.45	0.00	108.74	0.00	157,271.10	0.00	0.00		
2016 2017	6.60 5.30	0.00	1.80 1.45	0.00	108.74 108.74	0.00	195,971.30 157,271.10		0.00		

Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	3	19.92	0.00	13.63	0.00	108.74	0.00	1,482,067.31	0.00	0.00
Ult	11	16.97	0.00							
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	1.00	3,565.73	1,180.62	0.00	0.00	8,013.33	0.00	0.00	46,271.13	45,877.32
2012	1.00	19,453.87	6,441.18	0.00	0.00	47,316.78	0.00	0.00	248,847.41	278,966.27
2013	1.00	16,970.22	5,618.85	0.00	0.00	47,316.78	0.00	0.00	211,036.57	457,804.97
2014	1.00	14,948.25	4,949.37	0.00	0.00	47,316.78	0.00	0.00	180,254.15	596,026.10
2015	1.00	13,248.18	4,386.48	0.00	0.00	47,316.78	0.00	0.00	154,372,47	703,140.36
2016	1.00	11,837.57	3,919.43	0.00	0.00	47,316.78	0.00	0.00	132,897.51	786,573.88
2017	0.00	9,499.90	3,145.42	1,999.20	0.00	42,280.67	0.00	0.00	100,345.90	843,905.61

10											
Rem.			0.00	0.00	0.00	0.00	0.00	0.00	0.0	00	0.00 0.00
Total		89,5	523.73	29,641.35	1,999.20	0.00	286,877.89	0.00	0.0	0 1,074,0	25.14 843,905.61
Major Phase : Perfs :	Oil 0 - 0				Abandonment Working Int :	Date :	11/22/2017 0.35700000		Prese	at Worth Pro	file (\$)
Initial Rate : Abandonment :		893.00 471.09	bbl/month bbl/month		Revenue Int : Disc. Initial In	ivest. (\$) :	0.27303695 1,090.15		PW	5.00% :	948,677.12
Initial Decline : Beg Ratio :		13.28 0.000	% year	ъ=0.400	ROInvestment (disc/undisc) : Years to Payout :		775.33 / 538.23 0.01		PW PW	10.00% : 15.00% :	843,905.61 755,823.52
End Ratio :		0.000			Internal ROR	(%):	>1000		PW PW	20.00% : 25.00% :	681,336.15 617,971.76

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1
ECONOMIC PROJECTION

Case: PPF12-3			
Case : PP F 12-3 Reserve Cat. : Proved Producing Field : Belmont Operator : Griffin & Griffin Expl. LLC Reservoir : 2,800 Ft. Sand Co., State : Wilkinson, MS			
Oil Gas M evenue Revenue Re (\$) (\$)	Misc. levenue (\$)		
46,059.14 0.00	0.00		
59,712.72 0.00	0.00		
39,446.33 0.00	0.00		
21,390,33 0.00	0.00		
04,695.88 0.00	0.00		
89,758.72 0.00 44,471.19 0.00	0.00		
4 5 3 2 0 8 4	Field : Belmont ator : Griffin & Griffin Expl, LLC rvoir : 2,800 Ft. Sand State : Wilkinson, MS Oil Cas Revenue Revenue R (5) (5) (5) (6) (7) 16,059,14 0.00 19,712,72 0.00 19,446,33 0.00 11,390,33 0.00 14,695,88 0.00 19,758,72 0.00 14,471,19 0.00 19,758,72 0.00 10,00 10,758,72 0.00		

Ult	Well	81.97 Net Tax	0.00 Net Tax	Net	Net	Net	Other	Net	Annual	Cum Disc.
Total		40.60	0.00	11.09	0.00	108.74	0.00	1,205,534.30	0.00	0.00
Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

		(\$)	(\$)	(\$)	(5)	(\$)	(\$)	(\$)	(5)	(\$)
2011	1.00	2,782.19	921.18	0.00	0.00	11,565.45	0.00	0.00	30,790.32	30,528.12
2012	1.00	15,687.85	5,194.25	0.00	0.00	68,291.24	0.00	0.00	170,539.37	190,193.12
2013	1.00	14,463.67	4,788.93	0.00	0.00	68,291.24	0.00	0.00	151,902.50	318,865.01
2014	1.00	13,373.00	4,427.81	0.00	0.00	68,291.24	0.00	0.00	135,298.28	422,575.24
2015	1.00	12,364.58	4,093.92	0.00	0.00	68,291.24	0.00	0.00	119,946.14	505,776.11
2016	1.00	11,462.31	3,795.17	0.00	0.00	68,291.24	0.00	0.00	106,209.99	572,439.76
2017	0.00	2,686.27	889.42	1,999.20	0.00	16,617.07	0.00	0.00	22,279.23	585,574.00

Rem.			0.00	0:00	0.00	0.00	0.00	0.00	0.0	0	0.00 0.00
Total		72,8	819.86	24,110.69	1,999.20	0.00	369,638.74	0.00	0.0	0 736,9	65.82 585,574.00
Major Phase : Perfs :	Oil 0 - 0				Abandonment Working Int :	Date :	3/31/2017 0.35700000		Preser	nt Worth Pro	file (\$)
initial Rate : Abandonment :		787.00 501.11	bbl/month bbl/month		Revenue Int Disc. Initial In	west. (\$) :	0.27303695 1,162.91		PW PW	5.00% : 7.00% :	655,019.19 625,872,74
Initial Decline :		7.55	% year	b = 0.000	ROInvestment	t (disc/undisc) :	504.68 / 369.63		PW	10.00% :	585,574.00
Beg Ratio :		0.000			Years to Payou	ut :	0.01		PW	15.00% :	526,457.63
End Ratio :		0.000			Internal ROR	(%):	>1000		PW PW	20.00%6 : 25.00%6 :	475,902.80 432,468.78

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ECONOMIC PROJECTION

Project Name : Lexaria - 10/31/2011 Lexaria Corp LEASE CASE default Partuer : Case Type : Archive Set :

As Of Date : 10/31/2011 Discount Rate (%) : 10.00 Custom Selection

Case : PD F 12-4 Reserve Cat. : Proved Producing Field : Belmont Operator : Griffin & Griffin Expl, LLC Reservoir : 2,800 Ft. Sand Co., State : Wilkinson, MS

Cum Oil (Mbbl) : Cum Gas (MMcf) :		15.73 0.00							
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)
2011	1.57	0.00	0.43	0.00	108.74	0.00	46,474.47	0.00	0.00
2012	8.86	0.00	2.42	0.00	108,74	0.00	263,061.67	0.00	0.00
2013	8.20	0.00	2.24	0.00	108.74	0.00	243,503.31	0.00	0.00
2014	7.61	0.00	2.08	0.00	108.74	0.00	226,039.95	0.00	0.00
2015	7.07	0.00	1.93	0.00	108.74	0.00	209,829.02	0.00	0.00
2016	6.58	0.00	1.80	0.00	108.74	0.00	195,294.66	0.00	0.00
2017	6.09	0.00	1 66	0.00	108.74	0.00	180,774.71	0.00	0.00
2018	5.65	0.00	1.54	0.00	108.74	0.00	167,810.07	0.00	0.00
2019	5.25	0.00	1.43	0.00	108.74	0.00	155,775.21	0.00	0.00
2020	4.88	0.00	1.33	0.00	108.74	0.00	144,985.04	0.00	0.00
2021	2.81	0.00	0.77	0.00	108.74	0.00	83,478.26	0.00	0.00

Rem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	64.57	0.00	17.63	0.00	108.74	0.00	1,917,026.37	0.00	0.00
Ult	80.29	0.00							

Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (S)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	1.00	2,807.27	929.49	0.00	0.00	7,852.26	0.00	0.00	34,885.45	34,588.08
3012	1.00	15,890.14	5,261.23	0.00	0.00	46,365.73	0.00	0.00	195,544.56	217,640.31
2013	1.00	14,708.73	4,870.07	0.00	0.00	46,365.73	0.00	0.00	177,558.78	368,026.45
2014	1.00	13,653.86	4,520.80	0.00	0.00	46,365.73	0.00	0.00	161,499.56	491,803.96
2015	1.00	12,674.65	4,196.58	0.00	0.00	46,365.73	0.00	0.00	146,592.06	593,472.39
2016	1.00	11,796.70	3,905.89	0.00	0.00	46,365.73	0.00	0.00	133,226.34	677,076.15
2017	1.00	10,919.63	3,615.49	0.00	0.00	46,365.73	0.00	0.00	119,873.85	745,136.46
2018	1.00	10,136.51	3,356.20	0.00	0.00	46,365.73	0.00	0.00	107,951.63	\$00,599.84
2019	1.00	9,409.54	3,115.50	0.00	0.00	46,365.73	0.00	0.00	96,884.43	\$45,644,13
2020	1.00	8,757.77	2,899.70	0.00	0.00	46,365.73	0.00	0.00	86,961.84	\$82,227.79
2021	0.00	5,042.47	1,669.57	1,999.20	0.00	27,974.96	0.00	0.00	46,792.07	900,393.66

Rem.			0.00	0.00	0.00	0.00	0.00	0.00	0.0	Σ:	0.00	0.00
Total		115,7	197.28	38,340.53	1,999.20	0.00	453,118.81	0.00	0.0	1,307,7	70.56 9	00,393.66
Major Phase : Perfs :	Oil 0 - 0				Abandonment Working Int	Date :	8/11/2021 0.35700000		Presen	t Worth Pro	file (\$)	
Initial Rate : Abandonment :		721.00 373.69	bbl/month bbl/month		Revenue Int : Disc. Initial In	vest. (\$):	0.27303695 751.65		PW PW	5.00%) : 7.00%) :	1,075,563. 999,679.	.04 .34
Initial Decline :		7.18	% year	b = 0.000	ROInvestment	t (disc/undisc) :	1,199.22 / 655	15	PW	10.00% :	900,393	.66
Beg Ratio :		0.000			Years to Payor	at :	0.01		PW	15.00% :	766,233.	.85
End Ratio :		0.000			Internal ROR	(%):	>1000		PW	20.00%6 : 25.00%6 :	001,903. 579,534.	.48 .71

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ECONOMIC PROJECTION

As Of Date : 10/31/2011

Discount Rate (%) : 10.00 Custom Selection

Project Name : Lexaria - 10/31/2011 Lesaria Corp Partner :

Case Type :

Cum Oil (Mbbl) : Cum Gas (MMcf) :

Year

LEASE CASE Archive Set : default

Gross

Oil (Mbbl)

						Reservoir : 2,800	Ft. Sand
						Co., State : Wilki	nson, MS
15.73							
0.00							
Gross	Net	Net		Oil	Gas	Oil	Gas
Gas	Oil	Gas		Price	Price	Revenue	Revenue
(MMcf)	(Mbbl)	(MMcf)	1	(\$/bbl)	(\$/Mcf)	(\$)	(\$)
0.00	0	.08	0.00	108.74	0.00	8,852.28	0.00

	(MDDI)	(MMCI)	(MIDDI)	(MMCI)	(5/001)	(SMCI)	(3)	(5)	(2)
2011	1.57	0.00	0.08	0.00	108,74	0.00	8,852.28	0.00	0.00
2012	8.86	0.00	0.46	0.00	108.74	0.00	50,106.99	0.00	0.00
2013	8.20	0.00	0.43	0.00	108.74	0.00	46,381.58	0.00	0.00
2014	7.61	0.00	0.40	0.00	108,74	0.00	43,055,23	0.00	0.00
2015	7.07	0.00	0.37	0.00	108.74	0.00	39,967.43	0.00	0.00
2016	6.58	0.00	0.34	0,00	108.74	0.00	37,198,99	0.00	0.00
2017	6.09	0.00	0.32	0.00	108.74	0.00	34,433.28	0.00	0.00
2018	5.65	0.00	0.29	0.00	108,74	0.00	31,963.82	0.00	0.00
2019	5.25	0.00	0.17	0.00	108.74	0.00	18,792.54	0.00	0.00
2020	4.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2021	2.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Rem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		0.00	2.86	0.00	108.74	0.00	310,752.14	0.00	0.00
Ult		0.00							

Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	A Ca	annual ish Flow (\$)	Cum Disc. Cash Flow (\$)
2011	1.00	534.72	177.05	0.00	0.00	1,495.67	0.00		0.00	6,644.85	6,588.21
2012	1.00	3,026.69	1,002.14	0.00	0.00	8,831,57	0.00		0.00	37,246.58	41,455.30
2013	1.00	2,801.66	927.63	0.00	0.00	8,831.57	0.00		0.00	33,820.72	70,100.28
2014	1.00	2,600.74	861.10	0.00	0.00	8,831.57	0.00		0.00	30,761.82	93,676.95
2015	1.00	2,414.22	799.35	0.00	0.00	8,831.57	0.00		0.00	27,922.30	113,042.37
2016	1.00	2,246.99	743.98	0.00	0.00	8,831.57	0.00		0.00	25,376.45	128,966.89
2017	1.00	2,079.93	688.67	0.00	0.00	8,831.57	0.00		0.00	22,833.12	141,930.76
2018	1.00	1,930.76	639.28	0.00	0.00	8,831.57	0.00		0.00	20,562.22	152,495.21
2019	1.00	1,135.16	375.85	0.00	0.00	5,531.60	0.00		0.00	11,749.93	158,057.09
2020	1.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	158,057.09
2021	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	158,057.09

Rem.	9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	18,77	0.87	6,215.04	0.00	0.00	68,848.25	0.00	0.00	216,917.98	158,057.09
Major Phase :	Oil			Abandonmen	at Date :	8/11/2021				
Perís :	0 - 0			Working Int :	1	0.06800000		Present We	orth Profile (\$)
Initial Rate : Abandonment :	721.00 373.69	bbl/mon bbl/mon	th th	Revenue Int : 0.0 Disc. Initial Invest. (\$) : 0.0		0.05200704 0.00		PW PW	5.00% : 7.00% :	184,075.46 172,950.44
Initial Decline :	7.18	% year	b = 0.000	ROInvestmen	ut (disc/undisc) :	0.00 / 0.00		PW	10.00% :	158,057.09
Beg Ratio :	0.000			Years to Payo	out :	0.00		PW	15.00% :	137,247.08
End Ratio :	0.000			Internal ROR	(%):	0.00		PW PW	20.00%) : 25.00% :	120,440.53 106,734.10

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Case : PP F 12-4 Nonconsent Reserve Cat. : Proved Producing

Field : Belmont

Operator : Griffin & Griffin Expl. LLC

Misc. Revenue (\$)

Cum Oil (Mbbl) :

ECONOMIC PROJECTION As Of Date : 10/31/2011

Discount Rate (%) : 10.00 Custom Selection

Project Name: Lexaria - 10/31/2011 Partner: Lexaria Corp Case Type: LEASE CASE Archive Set: default

aaria - 10/31/2011 aaria Corp ASE CASE

11.94

Case: PD F-12-5 Reserve Cat.: Proved Producing Field: Belmont Operator: Griffin & Griffin Expl, LLC Reservoir: 2.300 Ft. Sand Co., State: Wilkinson, MS

Cum Gas (MMcf) : 0.00 Oil Oil Gross Gross Net Net Gas Gas Misc. Year Oil Gas Oil Gas Price Price Revenue Revenue Revenue (Mbbl) (MMcf) (Mbbl) (MMcf) (\$/bbI) (\$/Mcf) (\$) (5) (\$) 0.00 0.00 2011 1.50 0.00 0.41 0.00 108.74 44.679.76 0.00 2012 8.50 0.00 2.32 0.00 108.74 0.00 252,497.51 0.00 0.00 2013 7.85 0.00 2.14 0.00 108,74 0.00 233,198.10 0.00 0.00 2014 7.27 0.00 1.99 0.00 108.74 0.00 215,986.87 0.00 0.00 2015 6.74 0.00 1.84 0.00 108.74 0.00 200,045.91 0.00 0.00 185,769.84 2016 6.26 0.00 1.71 0.00 108.74 0.00 0.00 0.00 3017 0.00 1.58 0.00 108.74 0.00 171,570,70 0.00 0.00 5.78 2018 158,907.88 5.35 0.00 1.46 0.00 108.74 0.00 0.00 0.00 2019 4.96 0.00 1.35 0.00 108.74 0.00 147,179.65 0.00 0.00 2020 4.60 0.00 1.26 0.00 108.74 0.00 136,676.33 0.00 0.00 2021 4.25 0.00 1.16 0.00 108.74 0.00 126,229.60 0.00 0.00 2022 3.94 0.00 0.00 108.74 116,913.20 0.00 1.08 0.00 0.00 3.65 0.00 1.00 0.00 108.74 0.00 108,284.40 0.00 0.00 2023 108 74 100 556 79 2024 0.00 0.92 0.00 0.00 0.00 0.00 3 30 2025 0.55 0.00 0.15 0.00 108.74 0.00 16,409.89 0.00 0.00 0.00 Rem 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 Total 74.60 0.00 20.37 0.00 108.74 0.00 2,214,906.43 0.00 0.00 86.54 0.00 Ult 2

Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	1:00	2,698.86	893.60	0.00	0.00	7,956.74	0.00	0.00	33,130.57	32,848.24
2012	1.00	15,252.02	5,049.95	0.00	0.00	46,982.63	0.00	0.00	185,212.91	206,234.37
2013	1.00	14,086.25	4,663.96	0.00	0.00	46,982.63	0.00	0.00	167,465.27	348,076.12
2014	1.00	13,046.61	4,319.74	0.00	0.00	46,982.63	0.00	0.00	151,637.89	464,299.27
2015	1.00	12,083.70	4,000.92	0.00	0.00	46,982.63	0.00	0.00	136,978.66	559,303.74
2016	1.00	11,221.36	3,715.40	0.00	0.00	46,982.63	0.00	0.00	123,850.45	637,027.06
2017	1.00	10,363.67	3,431.41	0.00	0.00	46,982.63	0.00	0.00	110,792.99	699,934.16
2018	1:00	9,598.77	3,178.16	0.00	0.00	46,982.63	0.00	0.00	99,148.33	750,876.87
2019	1.00	8,890.33	2,943.59	0.00	0.00	46,982.63	0.00	0.00	\$\$,363.10	791,961.39
2020	1.00	8,255,88	2,733.53	0.00	0.00	46,982.63	0.00	0.00	78,704.29	825,073.26
2021	1.00	7,624.85	2,524.59	0.00	0.00	46,982.63	0.00	0.00	69,097.53	851,374.62
2022	1.00	7,062.10	2,338.26	0.00	0.00	46,982.63	0.00	0.00	60,530.21	872,224.59
2023	1.00	6,540.88	2,165.69	0.00	0.00	46,982.63	0.00	0.00	52,595.20	\$\$8,619.18
2024	1.00	6,074.10	2,011.14	0.00	0.00	46,982.63	0.00	0.00	45,488.93	901,450.52
2025	0.00	991.23	328.20	1,999.20	0.00	7,830.44	. 0.00	0.00	5,260.81	902,852.01
Rem	2	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		133 700 61	44 208 13	1 000 70	0.00	626 561 34	0.00	0.00	1 408 357 14	002 852 01
Totat		133,790.01	44,290.10	1,999.20	0.00	020,301.34	0.00	0.00	1,400,221.14	902,002.01
Major Phase : Perfs : Initial Page :	Oil 0 - 0) 202.00 bbl/w	- and	Abandon Working	ment Date : Int : Tat :	3/3/2025 0.35700000 0.27202605		Present V	Worth Profile (\$)
minial Rate		101.00 00D1	iounii	revenue	101 .	0.27505093		PW	5.00% : 1,11	1,397.56

10000 A.			an or nearly way .	0.2.2.1.00000		
707.00	bbl/month	h	Revenue Int :	0.27303695	PW	5.004% :
267.44	bbl/month	6	Disc. Initial Invest. (\$) :	526.55	PW	7.00%
7.39	% year	b = 0.000	ROInvestment (disc/undisc) :	1,716.12 / 705.41	PW	10.00%
0.000			Years to Payout :	0.01	PW	15.00% :
0.000			Internal ROR (%)	>1000	PW	20.00% :
					PW	25.00% :

TRC Eco Detailed pt

Abandonment :

Initial Decline : Beg Ratio :

End Ratio

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5

1,019,406.24 902,852.01 752,236.20 640,493.25

555,451.03

ECONOMIC PROJECTION

As Of Date : 10/31/2011

Discount Rate (%) : 10.00 Custom Selection

Project Name : Lexaria - 10/31/2011
Partner : Lexaria Corp
Case Type : LEASE CASE

Case Type : LEASE Archive Set : default

Cum Oil (Mbbl) : Cum Gas (MMcf) :		11.94 0.00							
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)
2011	1.50	0.00	0.08	0.00	108.74	0.00	8,510.43	0.00	0.00
2012	\$.50	0.00	0.44	0.00	108.74	0.00	48,094.77	0.00	0.00
2013	7.85	0.00	0.41	0.00	108.74	0.00	44,418.69	0.00	0.00
2014	7.27	0.00	0.38	0.00	108.74	0.00	41,140.36	0.00	0.00
2015	6.74	0.00	0.35	0.00	108.74	0.00	38,103.98	0.00	0.00
2016	6.26	0.00	0.33	0.00	108.74	0.00	35,384.73	0.00	0.00
2017	5.78	0.00	0.30	0.00	108.74	0.00	32,680.13	0.00	0.00
2018	5.35	0.00	0.22	0.00	108.74	0.00	23,668.87	0.00	0.00
2019	4.96	0.00	0.00	0.00	0.00	0.00	0.00	. 0.00	0.00
2020	4.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2021	4.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2022	3.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2023	3.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2024	3.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2025	0.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		0.00	2.50	0.00	108.74	0.00	272,001.96	0.00	0.00
Ult		0.00							
	Well Net	Tar Not Ta	T Nat	Nat	Nat	Other	Net	Annual	Cum Disc

Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	1.00	514.07	170.21	0.00	0.00	1,515.57	0.00	0.0	6,310.58	6,256.81
2012	1.00	2,905.15	961.90	0.00	0.00	8,949.07	0.00	0.0	35,278.65	39,282.74
2013	1.00	2,683.09	\$\$8.37	0.00	0.00	8,949.07	0.00	0.0	31,898.15	66,300.22
2014	1.00	2,485.07	\$22.81	0.00	0.00	8,949.07	0.00	0.0	28,883.41	88,437.96
2015	1.00	2,301.66	762.08	0.00	0.00	8,949.07	0.00	0.0	26,091.19	106,534.05
2016	1.00	2,137.40	707.69	0.00	0.00	8,949.07	0.00	0.0	23,590.56	121,338.49
2017	1.00	1,974.03	653.60	0.00	0.00	8,949.07	0.00	0.0	21,103.43	133,320.80
2018	1.00	1,429.71	473.38	0.00	0.00	6,952.37	0.00	0.0	14,813.42	141,013.93
2019	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.00	141,013.93
2020	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.00	141,013.93
2021	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.00	141,013.93
2022	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.1	0,00	141,013.93
2023	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0,1	0.00	141,013.93
2024	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.00	141,013.93
2025	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.1	0.00	141,013.93
Rem.		0.00	0.00	0.00	0.00	0.00	0.00	0.1	0.00	0.00
Total		16,430.18	5,440.04	0.00	0.00	62,162.37	0.00	0.	00 187,969.38	141,013.93
Major Phase : Perfs :		Oil 0 - 0		Abando Workin:	ument Date : g Int :	3/3/2025 0.06800000		Present	Worth Profile (5)
nerveni 1995 ganner		2000000 1000000000000000000000000000000	2000000	10 CARPENDE 14 CARPENDE		993077777777777777 785367757777777		10.7		
Initial Rate : Abandonment :		707.00 bb 267.44 bb	l/month l/month	Revenue Disc. Ini	e Int : itial Invest. (\$) :	0.05200704 0.00		PW PW	5.00% : 7.00% :	162,039.04 153,105.84
Initial Decline :		7.39 %	year b = 0.000	ROInve	stment (disc/undisc)	: 0.00 / 0.0	0	PW	10.00% :	141.013.93
Beg Ratio :		0.000		Years to	Payout	0,00		PW	15.00% :	123,837.11
End Ratio :		0.000		Internal	ROR (%) :	0.00		PW PW	20.00% : 25.00% :	109,696.19 97,964.10

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Case : PP F-12-5 Nonconsent Reserve Cat. : Proved Producing

Field : Belmont

Operator : Griffin & Griffin Expl. LLC Reservoir : 2,800 Ft. Sand Co., State : Wilkinson, MS

ECONOMIC SUMMARY PROJECTION

Project Name :	Lexaria - 10/31/2011
Partner :	Lexaria Corp
Case Type :	REPORT BREAK TOTAL CASE

As Of Date : 10/31/2011 Discount Rate (%) : 10.00 Custom Selection

Cum Oil (Mbbl) : Cum Gas (MMcf) :		163.75 0.00							
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)
2011	9.68	0.00	1.96	0.00	108.74	0.00	213,606.88	0.00	0.00
2012	54.32	0.00	10.99	0.00	108.74	0.00	1,195,532,90	0.00	0.00
2013	49.64	0.00	10.00	0.00	108.74	0.00	1,087,890.43	0.00	0.00
2014	45.57	0.00	9.15	0.00	108.74	0.00	995,081.28	0.00	0.00
2015	41.89	0.00	8.39	0.00	108.74	0.00	911,966.13	0.00	0.00
2016	38.66	0.00	7.72	0.00	108.74	0.00	839,378.23	0.00	0.00
2017	30.53	0.00	5.71	0.00	108.74	0.00	621,201 11	0.00	0.00
2018	22.01	0.00	3.52	0.00	108.74	0.00	382,350.65	0.00	0.00
2019	20.41	0.00	2.96	0.00	108,74	0.00	321,747.40	0.00	0.00
2020	18.97	0.00	2.59	0.00	108.74	0.00	281,661.37	0.00	0.00
2021	14.13	0.00	1.93	0.00	108.74	0.00	209,707.87	0.00	0.00
2022	7.88	0.00	1.08	0.00	108.74	0.00	116,913.20	0.00	0.00
2023	7.29	0.00	1.00	0.00	108.74	0.00	108,284.40	0.00	0.00
2024	6.77	0.00	0.92	0.00	108.74	0.00	100,556.79	0.00	0.00
2025	1.11	0.00	0.15	0.00	108,74	0.00	16,409.89	0.00	0.00
Rem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	229.69	0.00	68.07	0.00	108.74	0.00	7,402,288.51	0.00	0.00
Ult	365.78	0.00							

Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	6.00	12,902.85	4,272.14	0.00	0.00	38,399.01	0.00	0	0.00 158,032.89	156,686.78
2012	6.00	72,215.73	23,910.66	0.00	0.00	226,737.02	0.00	0	872,669.49	973,772.10
2013	6.00	65,713.62	21,757.81	0.00	0.00	226,737.02	0.00	0	0.00 773,681.98	1,629,173.05
2014	6.00	60,107.52	19,901.63	0.00	0.00	226,737.02	0.00	0	688,335.10	2,156,819.47
2015	6.00	55,086.98	18,239.32	0.00	0.00	226,737.02	0.00	0	611,902.80	2,581,269.02
2016	6.00	50,702.34	16,787.56	0.00	0.00	226,737.02	0.00	0	545,151.31	2,923,422.25
2017	4.00	37,523.43	12,424.02	3,998.40	0.00	170,026.74	0.00	0	.00 397,228.52	3,149,801.80
2018	4.00	23,095.75	7,647.01	0.00	0.00	109,132.30	0.00	0	242,475.59	3,274,465.46
2019	4.00	19,435.03	6,434.95	0.00	0.00	98,879.96	0.00	0	196,997.46	3,366,156.15
2020	4.00	17,013.65	5,633.23	0.00	0.00	93,348.36	0.00	0	165,666.13	3,435,851.67
2021	2.00	12,667.33	4,194.16	1,999.20	0.00	74,957.59	0.00	0	115,889.60	3,480,318.90
2022	2.00	7,062.10	2,338.26	0.00	0.00	46,982.63	0.00	0	60,530.21	3,501,168.87
2023	2.00	6,540.88	2,165.69	0.00	0.00	46,982.63	0.00	0	52,595.20	3,517,563.46
2024	2.00	6,074.10	2,011.14	0.00	0.00	46,982.63	0.00	0	45,488.93	3,530,394.80
2025	0.00	991.23	328.20	1,999.20	0.00	7,830.44	0.00	0	5,260.81	3,531,796.30
Rem.		0.00	0.00	0.00	0.00	0.00	0.00	ំព	0.00 0.00	0.00
Total		447,132.54	148,045.77	7,996.80	0.00	1,867,207.40	0.00	<u>ା</u> ପ	.00 4,931,906.01	3,531,796.30
								Presen	nt Worth Profile (5)
				Disc. In	itial Invest. (\$) :	3,531.26		PW PW	5.00% : 7.00% :	4,136,771.41 3,875,551.64
				ROInve	stment (disc/undisc)	1,001.1	5 / 617.73	PW	10.00% :	3,531,796.30
				Years to	Payout :	0.01		PW	15.00% :	3,061,835.40
				Internal	ROR (%) :	>1000		PW	20.00%) :	2,689,772.45
								PW	25.00% :	2,390,124.47

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ECONOMIC PROJECTION

			LCON	Ome inc	DOLUTIO					
Project Name : Partner : Case Type : Archive Set :	Lexaria - 10/31/2011 Lexaria Corp LEASE CASE default		A Discour	us Of Date : 10/31/3 at Rate (%) : 10.00 Custom Selection	1011		Case: ppF-12-6 Reserve Cat: Proved Undeveloped Field : Belmont Operator : Griffin & Griffin Expl, LLC Reservoir : 2:00 Ft Sand Co., State : Wilkinson, MS			
Cum Oil (Mbbl) :		0.00								
Cum Gas (MMcf) :		0.00								
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)	
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2012	13.47	0.00	3.68	0.00	108.74	0.00	399,898.12	0.00	0.00	
2013	15.33	0.00	4.18	0.00	108.74	0.00	455,064.51	0.00	0.00	
2014	14.56	0.00	3,98	0.00	108.74	0.00	432,326.47	0.00	0.00	
2015	13.83	0.00	3.78	0.00	108.74	0.00	410,724.56	0.00	0.00	
2016	13,18	0.00	3.60	0.00	108.74	0.00	391,243.84	0.00	0.00	
2017	9.95	0.00	2.72	0.00	108.74	0.00	295,386.95	0.00	0.00	

Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	8	0.32	0.00	21.93	0.00	108.74	0.00	2,384,644.46	0.00	0.00
Ult	8	80.32	0.00							
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	1.00	24,155.70	7,997.96	288,591.66	0.00	44,659.31	0.00	0.00	34,493.49	20,667.17
2013	1.00	27,488.01	9,101.29	0.00	0.00	52,239.10	0.00	0.00	366,236.12	330,774.11
2014	1.00	26,114.52	8,646.53	0.00	0.00	52,239.10	0.00	0.00	345,326.32	595,368.75
2015	1.00	24,809.67	8,214.49	0.00	0.00	52,239.10	0.00	0.00	325,461.31	821,027.31
2016	1.00	23,632.94	7,824.88	0.00	0.00	52,239.10	0.00	0.00	307,546.93	1,013,962.07
2017	1.00	17,842.74	5,907.74	1,999.20	0.00	41,333.59	0.00	0.00	228,303.68	1,144,893.36

											_
Rem.		0.00	0.00	0.00	0.00	0.00	0.00	0.0	10	0.00 0	.00
Total	144,0	043.58	47,692.89	290,590.86	0.00	294,949.28	0.00	0.0	0 1,607,3	67.85 1,144,893	.36
Major Phase : Perfs :	Oil 0 - 0			Abandonment Working Int :	Date :	10/16/2017 0.42000000		Preses	nt Worth Pro	ofile (\$)	
Initial Rate : Abandonment :	1,368.75 1,025.44	bbl/month bbl/month		Revenue Int : Disc. Initial In	ivest. (\$) :	0.27303695 280,212.64		PW	5.00% :	1,354,019.43	
Initial Decline : Beg Ratio :	5.00 0.000	% year	b = 0.000	ROInvestment Years to Payot	t (disc/undisc) : ut :	5.09 / 6.53 1.09		PW PW	10.00% : 15.00% :	1,144,893.36 971,454.45	
End Ratio :	0.000			Internal ROR	(%):	130.73		PW PW	20.00% : 25.00% :	826,923.23 705,899.64	
End Ratio :	0.000			Internal ROR	(%):	130.73		PW PW	20.00% : 25.00% :	826,923.23 705,899.64	

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ECONOMIC PROJECTION

			ECON	OMIC PRO	DIECTI	UN				
Project Name : Partner : Case Type : Archive Set :	Lexaria - 10/31/2011 Lexaria Corp LEASE CASE default		A Discour	ts Of Date : 10/31/: it Rate (%) : 10:00 Custom Selection		Case: PPF-12-7 Reserve Cat.: Proved Undeveloped Field : Belmont Operator: Coffin & Griffin Expl. LLC Reservoir: 2,800 Ft. Sand Co., State: Wilkinson, MS				
Cum Oil (Mbbl) :		0.00								
Cum Gas (MMcf)	¢	0.00								
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)	
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2012	13.47	0.00	3.68	0.00	108.74	0.00	399,898.12	0.00	0.00	
2013	15.33	0.00	4.18	0.00	108.74	0.00	455,064.51	0.00	0.00	
2014	14.56	0.00	3.98	0.00	108.74	0.00	432,326.47	0.00	0.00	
2015	13.83	0.00	3.78	0.00	108.74	0.00	410,724.56	0.00	0.00	
2016 2017	13.18 9.95	0.00 0.00	3.60 2.72	0.00	108.74 108.74	0.00 0.00	391,243.84 295,386.95	0.00	0.00 0.00	

Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	1	80.32	0.00	21.93	0.00	108.74	0.00	2,384,644.46	0.00	0.00
Ult		80.32	0.00							
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (S)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	1.00	24,155.70	7,997.96	288,591.66	0.00	44,659.31	0.00	0.00	34,493.49	20,667.17
2013	1.00	27,488.01	9,101 29	0.00	0.00	52,239.10	0.00	0.00	366,236.12	330,774.11

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345,326.32

325,461.31

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595,368.75

821,027.31

307,546.93 1,013,962.07

228,303.68 1,144,893.36

	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00 0.00
144,6	43.58	47,692.89	290,590.86	0.00	294,949.28	0.00	0.00	1,607,36	7.85 1,144,893.36
Oil 0 - 0			Abandonment Working Int	Date :	10/16/2017		Present	Worth Prof	ile (S)
1,368.75 1,025.44	bbl/month bbl/month		Revenue Int : Disc. Initial In	west. (\$) :	0.27303695 280,212.64		PW PW	5.00% :	1,354,019.43
5.00 0.000	% year	b = 0.000	ROInvestment Years to Payor	t (disc/undisc) : at :	5.09 / 6.53 1.09 130 73		PW PW PW	10.00% : 15.00% : 20.00% :	1,144,893.36 971,454.45 826,923.23
	144,0 Oil 0 - 0 1,368.75 1,025.44 5.00 0.000 0.000	0.00 144,043.58 Oil 0-0 1.368.75 bbl/month 1.015.44 bbl/month 5.00 % year 0.000 0.000	0.00 0.00 144,043.58 47,692.89 Oil 0-0 1,368.75 bbl/month 1,025.44 bbl/month 5.00 % year b=0.000 0.000	0.00 0.00 0.00 144,043.58 47,692.89 290,590.86 Oil Abandonment 0-0 Working Int 1,368.75 bbl/month Disc. Initial In 5.00 % year b = 0.000 R.OInvestment 0.000 Vears to Payor 0.000 Internal ROR	0.00 0.00 0.00 0.00 0.00 144,043.58 47,692.89 290,590.86 0.00 Oil Abandonment Date : 0.00 0 - 0 Working Int : 1.368.75 bbl/month Revenue Int : 1.025.44 bbl/month Disc. Initial Invest. (\$) : 5.00 % year b = 0.000 ROInvestment (disc/undisc) : 0.000 Internal ROR (*6) : 1.000 Internal ROR (*6) :	0.00 0.00 0.00 0.00 0.00 0.00 144,043.58 47,692.39 290,590.36 0.00 294,949.28 Oil A bandonment Date : 10/16/2017 0-0 Working Int : 0.42000000 1.368.75 bbl/month Revenue Int : 0.27303695 1.025.44 bbl/month Disc. Initial Invest. (\$) : 280,212.64 5.00 % year b = 0.000 ROInvestment (disc/undisc) : 5.09 / 6.53 0.000 Internal ROR (%) : 130,73	0.00 0.00 0.00 0.00 0.00 0.00 0.00 144,043.58 47,692.89 290,590.86 0.00 294,949.28 0.00 Oil Abandonment Date : 10/16/2017 0.00 0.000 0.000 0-0 Working Int : 0.42000000 1.368.75 bbl/month Revenue Int : 0.27303695 1.025.44 bbl/month Disc Initial Invest. (\$) : 280,212.64 5.00 % year b = 0.000 ROInvestment (disc/undisc) : 5.09 / 6.53 0.000 Internal ROR (%) : 130,73 109	0.00 0.00 <th< td=""><td>0.00 0.00 0.00 0.00 0.00 0.00 0.00 144,043.58 47,692.89 290,590.86 0.00 294,949.28 0.00 0.00 1,607,36 Oil Abandonment Date : 10/16/2017 0 0 0.00 Present Worth Prof 1.368.75 bbl/month Revenue Int : 0.2303695 PW 5.00% : 1.00% : 1.025.44 bbl/month Disc. Initial Invest. (\$) : 280,212.64 PW 7.00% : 5.00 % year b = 0.000 ROInvestment (disc/undisc) : 5.09 / 6.53 PW 10.00% : 0.000 Years to Payout : 1.09 PW 15.00% : 0.00% : 0.000 Internal ROR (%) : 130,73 PW 15.00% : :</td></th<>	0.00 0.00 0.00 0.00 0.00 0.00 0.00 144,043.58 47,692.89 290,590.86 0.00 294,949.28 0.00 0.00 1,607,36 Oil Abandonment Date : 10/16/2017 0 0 0.00 Present Worth Prof 1.368.75 bbl/month Revenue Int : 0.2303695 PW 5.00% : 1.00% : 1.025.44 bbl/month Disc. Initial Invest. (\$) : 280,212.64 PW 7.00% : 5.00 % year b = 0.000 ROInvestment (disc/undisc) : 5.09 / 6.53 PW 10.00% : 0.000 Years to Payout : 1.09 PW 15.00% : 0.00% : 0.000 Internal ROR (%) : 130,73 PW 15.00% : :

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17,842.74

8,646.53

8,214.49

7,824.88

5,907.74

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1,999.20

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Project Name : Partner : Case Type : Archive Set : Cum Oil (Mbbl) : Cum Gas (MMcf) :

ECONOMIC PROJECTION

		LUUI	volute 11	COJECT.	ION .		
Lexaria - 10/31/201 Lexaria Corp LEASE CASE default	1	Disc	As Of Date : 10/3 ount Rate (%) : 10 Custom Select	1/2011 00 110m		Case : Reserve Cat. : Field : Operator : Reservoir : Co., State :	PP F-12-8 Proved Undeveloped Belmiont Griffin & Griffin Expl, LLC 2,800 Fr. Sand Wilkinson, MS
	0.00						
Cross	0.00	Net	Nat	01	Car	50	Car

Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	4.11	0.00	1.12	0.00	108.74	0.00	122,042.54	0.00	0.00
2013	15.79	0.00	4.31	0.00	108.74	0.00	468,948.03	0.00	0.00
2014	15.01	0.00	4.10	0.00	108.74	0.00	445,516.27	0.00	0.00
2015	14.26	0.00	3.89	0.00	108.74	0.00	423,255.31	0.00	0.00
2016	13.58	0.00	3.71	0.00	108.74	0.00	403,1\$0.26	0.00	0.00
2017	13.86	0.00	3.51	0.00	108.74	0.00	381,961.10	0.00	0.00
2018	4.71	0.00	1.29	0.00	108.74	0.00	139,740.96	0.00	0.00

Rem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	80.32	0.00	21.93	0.00	108.74	0.00	2,384,644.46	0.00	0.00
Ult	80.32	0.00							

Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	1.00	7,371.94	2,440.85	238,760.76	0.00	14,186.50	0.00	0.00	-140,717.50	-129,479,40
2013	1.00	28,326.63	9,378.96	0.00	0.00	52,239.10	0.00	0.00	379,003.34	191,437.75
2014	1.00	26,911.25	8,910.33	0.00	0.00	52,239.10	0.00	0.00	357,455.60	465,325.75
2015	1.00	25,566.58	8,465.11	0.00	0.00	52,239.10	0.00	0.00	336,984.53	698,973.67
2016	1.00	24,353.96	8,063.61	0.00	0.00	52,239.10	0.00	0.00	318,523.60	898,794.10
2017	1.00	23,072.22	7,639.22	0.00	0.00	52,239.10	0.00	0.00	299,010.56	1,068,509.75
2018	1.00	8,441.00	2,794.82	1,999.20	0.00	19,848.16	0.00	0.00	106,657.78	1,124,993.98

Rem.		0.00	0.00	0.00	0.00	0.00	0.00	0.0	0	0.00 0.0
Total	144,0	043.58	47,692.89	240,759.96	0.00	295,230.14	0.00	0.0	0 1,656,9	17.90 1,124,993.9
Major Phase : Perfs :	Oil 0 - 0			Abandonment Working Int :	Date :	5/18/2018 0.42000000		Presen	t Worth Pro	file (S)
Initial Rate : Abandonment :	1,368.75 1,025.44	bbl/month bbl/month		Revenue Int : Disc. Initial In	west. (\$) :	0.27303695 218,815.29		PW	5.00%) : 7.00%) ·	1,362,285.72
Initial Decline : Beg Ratio :	5.00 0.000	% year	b = 0.000	ROInvestmen Years to Payor	t (disc/undisc) : ut :	6.14 / 7.88 1.54		PW PW	10.00% : 15.00% :	1,124,993.98 932,958.30
End Ratio :	0.000			Internal ROR	(%):	159.04		PW PW	20.00% : 25.00% :	776,791.32 649,176.28

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2017

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Date : 12/08/201	1 9:00:02AM		ECON	OMIC PRO	DJECTI	ON				
Project Name : Partner : Case Type : Archive Set :	Lexaria - 10/31/201 Lexaria Corp LEASE CASE default	ı	A Discour	s Of Date : 10/31/2 at Rate (%) : 10.00 Custom Selection	2011		Case : Pp F-12-9 Reserve Cat : Proved Undeveloped Field : Belmont Operator : Griffin & Griffin Expl, LLC Reservoir : 2,800 Ft. Sand Co., State : Wilkinson, MS			
Cum Oil (Mbbl) :		0.00								
Cum Gas (MMcf) :		0.00								
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)	
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2012	4.11	0.00	1,12	0.00	108.74	0.00	122,042.54	0.00	0.00	
2013	15.79	0.00	4.31	0.00	108.74	0.00	468,948.03	0.00	0.00	
2014	15.01	0.00	4.10	0.00	108.74	0.00	445,516.27	0.00	0.00	
2015	14.26	0.00	3.89	0.00	108.74	0.00	423,255.31	0.00	0.00	

108,74

108.74

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403,180.26 381,961.10 139,740.96

0.00 0.00

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Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	1	50.32	0.00	21.93	0.00	108.74	0.00	2,384,644.46	0.00	0.00
Ult		80.32	0.00							
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0.00	0.00	0.00
2012	1.00	7,371.94	2,440.85	238,760.76	0.00	14,186.50	0.0	0.00	-140,717.50	-129,479.40
2013	1.00	28,326.63	9,378.96	0.00	0.00	52,239.10	0.00	0.00	379,003.34	191,437.75
2014	1.00	26,911,25	8,910.33	0.00	0.00	52,239.10	0.0	0.00	357,455.60	465,325.75
2015	1.00	25,566.58	8,465.11	0.00	0.00	52,239.10	0.00	0.00	336,984.53	698,973.67
2016	1.00	24,353.96	8,063.61	0.00	0.00	52,239.10	0.0	0.00	318,523.60	\$98,794.10
2017	1.00	23,072.22	7,639.22	0.00	0.00	52,239.10	0.00	0.00	299,010.56	1,068,509.75
2018	1:00	8,441.00	2,794,82	1,999.20	0.00	19.848.16	0.0	0.00	106.657.78	1.124.993.98

Rem.		0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00 0.01
Total	144,0	043.58	47,692.89	240,759.96	0.00	295,230.14	0.00	0.00	1,656,9	17.90 1,124,993.9
Major Phase : Perfs :	Oil 0 - 0			Abandonment Working Int	Date :	5/18/2018 0.42000000		Present	t Worth Pro	file (S)
Initial Rate : Abandonment :	1,368.75 1,025.44	bbl/month bbl/month		Revenue Int : Disc. Initial In	rvest. (\$) :	0.27303695 218,815.29		PW	5.00% :	1,362,285.72
Initial Decline : Beg Ratio :	5.00 0.000	% year	b = 0.000	ROInvestmen Years to Pavo	t (disc/undisc) : ut :	6.14 / 7.88 1.54		PW PW	10.0046 : 15.0046 :	1,124,993.98 932,958.30
End Ratio :	0.000			Internal ROR	(%):	159.04		PW PW	20.00% : 25.00% :	776,791.32 649,176.28

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ECONOMIC SUMMARY PROJECTION

Project Name : Partner : Case Type :	Lexaria - 10 Lexaria Co REPORT B	0/31/2011 IP BREAK TOTAL CA	ISE	Discou	As Of Date : 10 mt Rate (%) : 10 Custom Selec	/31/2011).00 tion		Prove	t Undeveloped Ksv	Class & Category
Cum Oil (Mbbl) : Cum Gas (MMcf) :	Gross	0.00 0.00 Gross		Net	Net	Oil	Gas	Oil	Gas	Misc.
Year	Oil (Mbbl)	Gas (MMc)	Oil (Mbbl)	Gas (MMcf)	Price (\$/bbl) (Price (\$/Mcf)	Revenue (\$)	Revenue (\$)	Revenue (\$)
2011	1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	35	5.16	0.00	9.60	0.00	108.74	0.00	1,043,881.32	0.00	0.00
2013	63	2.24	0.00	16.99	0.00	108.74	0.00	1,848,025.08	0.00	0.00
2014	51	9.13 6.18	0.00	10.15	0.00	108.74	0.00	1,755,085.40	0.00	0.00
2015		2.61	0.00	14.43	0.00	100.74	0.00	1,007,939.75	0.00	0.00
2010	2.	5.51	0.00	14:01	0.00	108.74	0.00	1,588,848.20	0.00	0.00
2018		9.41	0.00	2.57	0.00	108.74	0.00	270 481 03	0.00	0.00
Rem Total	321	0.00	0.00 0.00	0.00 87.72	0.00	0.00 108.74	0.00 0.00	0.00 9,538,577.85	0.00	0.00
Ult	321	1.27	0.00							
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (S)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.0	0.00	0.0	0.00	0.00
2012	4.00	63.055.27	20,877.63	1.054,704.84	0.00	117,691.6	1 0.0	0.0	-212.448.02	-217.624.45
2013	4.00	111,629.28	36,960.50	0.00	0.00	208,956.3	8 0.0	0.0	1,490,478.91	1,044,423.72
2014	4.00	106,051.54	35,113.71	0.00	0.00	208,956.3	8 0.0	0.0	1,405,563.83	2,121,388.99
2015	4.00	100,752.50	33,359.19	0.00	0.00	208,956.3	8 0.0	0.0	1,324,891.67	3,040,001.97
2016	4.00	95,973,80	31,776.96	0.00	0.00	208,956.3	8 0.0	0.0	1.252,141.06	3.825.512.35
2017	4.00	\$1,829.92	27,093.92	3,998.40	0.00	187,145.3	8 0.0	0.0	1,054,628.48	4,426,806.24
2018	2.00	16,882.00	5,589.64	3,998.40	0.00	39,696.3	2 0.0	0.0	213,315.56	4,539,774.68
Rem.		0.00	0.00	0.00	0.00	0.0	0 0.0	0.0	0.00	0.00
Total		576,174.31	190,771.56	1,062,701.64	0.00	1,180,358.8	5 0.0	0.0	6,528,571.49	4,539,774.68
								Presen	t Worth Profile (\$)
				Disc. Init ROInvest Years to I Internal F	ial Invest. (\$) : ment (disc/mdisc) Payout : COR (%) :	998,05 5.55 / 1.32 138.89	5.86 7.14	PW PW PW PW PW PW	5.00% : 5,4 7.00% : 5,0 10.00% : 4,5 15.00% : 3,8 20.00% : 3,2 25.00% : 2,7	32,610.31 53,637.09 39,774.68 08,825.50 07,429.10 10,151.82

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ECONOMIC SUMMARY PROJECTION

Proved Rsv Class

Project Name :	Lexaria - 10/31/2011	As Of Date :	10/31/2011
Partner :	Lexaria Corp	Discount Rate (%) :	10.00
Case Type :	REPORT BREAK TOTAL CASE	Custom	Selection

Cum Oil (Mbbl) :		163.75							
Cum Gas (MMcf) :		0.00							
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)
2011 -	9.68	0.00	1.96	0.00	108.74	0.00	213,606.88	0.00	0.00
2012	\$9.48	0.00	20.59	0.00	108.74	0.00	2,239,414.22	0.00	0.00
2013	111.88	0.00	27.00	0.00	108.74	0.00	2,935,915.51	0.00	0.00
2014	104.70	0.00	25.30	0.00	108.74	0.00	2,750,766.74	0.00	0.00
2015	98.07	0.00	23.73	0.00	108.74	0.00	2,579,925.88	0.00	0.00
2016	92.18	0.00	22.33	0.00	108.74	0.00	2,428,226.43	0.00	0.00
2017	76.16	0.00	18.17	0.00	108.74	0.00	1,975,897.21	0.00	0.00
2018	31.42	0.00	6.09	0.00	108.74	0.00	661,832.58	0.00	0.00
2019	20.41	0.00	2.96	0.00	108.74	0.00	321,747.40	0.00	0.00
2020	18.97	0.00	2.59	0.00	108.74	0.00	281,661.37	0.00	0.00
2021	14.13	0.00	1.93	0.00	108.74	0.00	209,707.87	0.00	0.00
2022	7.88	0.00	1.08	0.00	108.74	0.00	116,913.20	0.00	0.00
2023	7.29	0.00	1.00	0.00	108.74	0.00	108,284.40	0.00	0.00
2024	6.77	0.00	0.92	0.00	108.74	0.00	100,556.79	0.00	0.00
2025	1.11	0.00	0.15	0.00	108.74	0.00	16,409.89	0.00	0.00
Rem	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	550.96	0.00	155.79	0.00	108.74	0.00	16,940,866.36	0.00	0.00
Ult	687.05	0.00							
	Well Net 7	faz Net Taz	Net	Net	Net	Other	Net	Annual	Cum Disc.

Year	Count	Production (\$)	AdValorem (\$)	Investment (\$)	Lease Costs (\$)	Well Costs (\$)	Costs (\$)	Profits (\$)	Cash Flow (\$)	Cash Flow (\$)
2011	6.00	12,902.85	4,272.14	0.00	0.00	38,399.01	0.00	0	00 158,032.89	156,686.78
2012	10.00	135,271.00	44,788.28	1,054,704.84	0.00	344,428.63	0.00	0	660,221.40	5 756,147.65
2013	10.00	177,342.90	58,718.31	0.00	0.00	435,693.41	0.00	C	00 2,264,160.89	2,673,596.77
2014	10.00	166,159.06	55,015.33	0.00	0.00	435,693.41	0.00	C	00 2,093,898.94	4,278,208.46
2015	10.00	155,839.48	51,598.52	0.00	0.00	435,693.41	0.00	(00 1,936,794.4	5,621,270.99
2016	10.00	146,676.13	48,564.53	0.00	0.00	435,693.41	0.00	(.00 1,797,292.30	6,748,934.60
2017	8.00	119,353.35	39,517.94	7,996.80	0.00	357,172.12	0.00	0	.00 1,451,857.00	7,576,608.03
2018	6.00	39,977.76	13,236.65	3,998.40	0.00	148,828.62	0.00		455,791.1	7,814,240.13
2019	4.00	19,435.03	6,434.95	0.00	0.00	98,879.96	0.00	0	00 196,997.40	5 7,905,930.83
2020	4.00	17,013.65	5,633.23	0.00	0.00	93,348.36	0.00	(00 165,666.1	7,975,626.35
2021	2.00	12,667.33	4,194.16	1,999.20	0.00	74,957.59	0.00	C	00 115,889.60	8,020,093.58
2022	2.00	7.062.10	2,338.26	0.00	0.00	46,982.63	0.00	0	60,530.21	8,040,943.55
2023	2.00	6,540.88	2,165.69	0.00	0.00	46,982.63	0.00	9	00 52,595.20	8,057,338.14
2024	2.00	6,074.10	2,011.14	0.00	0.00	46,982.63	0.00	C	45,488.9	8,070,169.48
2025	0.00	991.23	328.20	1,999.20	0.00	7,830.44	0.00	(.00 5,260.8	1 8,071,570.97
Rem.		0.00	0.00	0.00	0.00	0.00	0.00	(.00 0.0	0.00
Total		1,023,306.85	338,817.33	1,070,698.44	0.00	3,047,566.25	0.00	0	.00 11,460,477.50	8,071,570.97
								Preser	it Worth Profile (\$)
				Disc. Init ROInves	ial Invest. (\$) : tment (disc/undisc) :	1,001,587	11	PW PW PW	5.00% : 7.00% : 10.00% -	9,569,381.72 8,929,188.72 8,071,570,97
				Vanna	Descent :	0.70	2005		10 0000	6 0 0 6 6 6 0 00
				1 enrs to	OD ALL	51000		PW	15.00%6 :	0,870,000.90
				internat r	(OK (78) .	>1000		rw	20.0096 :	9,097,201.55
								PW	25.00% :	5,100,276.30

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ECONOMIC PROJECTION

Project Name : Partner : Case Type : Archive Set :	Lexaria - 10/31/20 Lexaria Corp RECOMPLETION default	11 I CASE	A Discour	s Of Date : 10/31/2 at Rate (%) : 10.00 Custom Selection	1		Case : PPF : Reserve Cat. : Proba Field : Arton Operator : Griffi Reservoir : Fno C Co., State : Wilki	39 PBP 1 - No. 1 ble Behind Pipe ish, E. n & Griffin Expl, LLC bil Sand ason, MS	
Cum Oil (Mbbl) :		0.00							
Cum Gas (MMcf) :		0.00							
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	. 0.00	0.00
2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2015	3.29	0.00	0.90	0.00	108.74	0.00	97,746.06	0.00	0.00
2016	4.82	0.00	1.32	0.00	108.74	0.00	143,015.20	0.00	0.00
2017	0.62	0.00	0.17	0.00	108.74	0.00	18,314.01	0.00	0.00

Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	1	8.73	0.00	2.38	0.00	108.74	0.00	259,075.27	0.00	0.00
Ult	8	8.73	0.00							
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2013	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2014	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2015	1.00	5,904.32	1,954.92	33,600.00	0.00	8,084.81	0.00	0.00	48,202.02	32,072.37
2016	1.00	8,638.78	2,860.30	0.00	0.00	12,337.92	0.00	0.00	119,178.19	106,870.99
2017	1.00	1,106.25	366.28	2,784.60	0.00	1,636.19	0.00	0.00	12,420.69	114,236.51

Rem. Total		15,0	0.00 549.35	0.00 5,181.51	0.00 36,384.60	0.00	0.00 22,058.92	0.00 0.00	0.0 0.0)0)0 179,8	0.00 0.0 00.90 114,236.5
Major Phase : Perfs :	Oil 0 - 0				Abandonment Working Int :	Date :	2/18/2017 0.42000000		Prese	at Worth Pro	file (\$)
Initial Rate : Abandonment :		450.00 374.91	bbl/month bbl/month		Revenue Int : Disc. Initial In	vest. (\$) :	0.27303695 25,220.96		PW PW	5.00%% : 7.00%% :	143,292.61 130,869.52
Initial Decline :		9.81	% year	b = 0.000	ROInvestment	t (disc/undisc) :	5.53 / 5,94		PW	10.00%):	114,236.51
Beg Ratio :		0.000			Years to Payor	at:	3.82		PW	15.00% : 20.00% -	91,102.89 72,677.86
End Katlo		0.000			Internal KOK	(/*):	400.00		PW	25.00% :	57,997.78

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ECONOMIC PROJECTION

			LUGI	OTHE THE	OOLCII.				
Project Name : Partner : Case Type : Archive Set :	Lexaria - 10/31/2011 Lexaria Corp LEASE CASE default		A Discour	s Of Date : 10/31/ it Rate (%) : 10.00 Custom Selection	2011		Case: PD F Reserve Cat.: Proba Field: Arton Operator: Griffi Reservoir: Frio S Co., State: Wilki	39 - No. 1 ible Shut-In iish, E. in & Griffin Expl, LLC Sand (2,800 Fr. Sand) inson, MS	
Cum Oil (Mbbl) :		0.00							
Cum Gas (MMcf) :		112.82							
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2013	0.00	26.61	0.00	7.26	0.00	4.20	0.00	30,510.26	0.00
2014	0.00	22.62	0.00	6.18	0.00	4.20	0.00	25,936.61	0.00
2015	0.00	5.86	0.00	1.60	0.00	4.20	0.00	6,716.40	0.00

Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		0.00	55.08	0.00	15.04	0.00	4.20	0.00	63,163.26	0.00
Ult	21.	0.00	167.90							
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (S)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2013	1.00	1,866.94	610.21	3,150.00	0.00	12,519.36	0.00	0.00	12,363.76	10,350.95
2014	1.00	1,587.07	518.73	0.00	0.00	12,337.92	0.00	0.00	11,492.88	19,175,41
2015	0.00	410.98	134.33	0.00	0.00	3,591.17	0.00	0.00	2,579.92	21,027,79

	0.00	0.00	0.00	0.00	0.00	0.00	0.0	0	0.00 0.00
3,8	864.99	1,263.27	3,150.00	0.00	28,448.45	0.00	0.0	0 26,43	6.56 21,027.79
Gas 0 - 0			Abandonment Working Int	Date :	4/15/2015 0.42000000		Prese	nt Worth Prof	ile (S)
2,403.70 1,657.74	Mcf/mont Mcf/mont	h h	Revenue Int : Disc. Initial In	vest. (\$) :	0.27303695 2,801.69		PW PW	5.00% : 7.00%	23,568.03
15.00	% year	b = 0.000	ROInvestmen	(disc/undisc) :	8.51 / 9.39		PW	10.00% :	21,027.79
0.000			Years to Payor Internal ROR	at : (%) :	1.37 509.41		PW	20.00% :	16,779.19
	3, Gas 0 - 0 1,657.74 15.00 0.000 0.000	0.00 3,864.99 Gas 0-0 2,403.70 Mcfrmont 1,657.74 Mcfrmont 15.00 % year 0.000 0.000	0.00 0.00 3,864.99 1,263.27 Gas 0-0 2,403.70 Mcfmonth 1,657.74 Mcfmonth 15.00 % year b = 0.000 0.000 0.000	0.00 0.00 0.00 3,864.99 1,263.27 3,150.00 Gas Abandonment 0-0 Working Int : 2,403.70 Mcfmonth Revenue Int : 1,657.74 Mcfmonth Disc Initial In 15.00 % year b = 0.000 RolInvestment 0.000 Years to Payor 0.000 Internal ROR.	0.00 0.00 0.00 0.00 3,864.99 1,263.27 3,150.00 0.00 Gas Abandonment Date : 0.00 0.0 Working Int : 2,403.70 Mcfmonth 1,657.74 Mcfmonth Disc. Initial Invest. (\$) : 15.00 % year b = 0.000 0.000 Years to Payout: 0.000 Internal ROR (%) :	0.00 0.00 0.00 0.00 0.00 3,864.99 1,263.27 3,150.00 0.00 28,448.45 Gas Abandonment Date : 4/15/2015 0 - 0 Working Int : 0.42000000 2,403.70 Mcfmonth Revenue Int : 0.27303695 1,657.74 Mcfmonth Disc. Initial Invest. (\$) : 2,801.69 15.00 % year b = 0.000 ROInvestment (disc/undisc) : 8,51 / 9.39 0.000 Years to Payout : 1.37 0.000 Internal ROR (%) : 509.41	0.00 0.00 <th< td=""><td>0.00 Present 2.403.70 Mcfmonth Revenue Int : 0.27303695 PW PW 1.657.74 Mcfmonth Disc. Initial Invest. (\$): 2.301.69 PW PW 1.50 % year b = 0.000 ROInvestment (disc/undisc): 8.51 / 9.39 PW 0.000 Years to Payout: 1.37 PW 0.000 Internal ROR (%): \$09.41 PW PW</td><td>0.00 26,448.45 0.00 0.00 26,448 Gas Abandonment Date : 4/15/2015 Present Worth Prof 2,403.70 Mcfmonth Revenue Int : 0.42000000 Present Worth Prof 1,657.74 Mcfmonth Disc. Initial Invest. (\$) : 2,801.69 PW 5.00% : 1.00% :</td></th<>	0.00 Present 2.403.70 Mcfmonth Revenue Int : 0.27303695 PW PW 1.657.74 Mcfmonth Disc. Initial Invest. (\$): 2.301.69 PW PW 1.50 % year b = 0.000 ROInvestment (disc/undisc): 8.51 / 9.39 PW 0.000 Years to Payout: 1.37 PW 0.000 Internal ROR (%): \$09.41 PW PW	0.00 26,448.45 0.00 0.00 26,448 Gas Abandonment Date : 4/15/2015 Present Worth Prof 2,403.70 Mcfmonth Revenue Int : 0.42000000 Present Worth Prof 1,657.74 Mcfmonth Disc. Initial Invest. (\$) : 2,801.69 PW 5.00% : 1.00% :

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Date : 12/09/2011 11:32:29AM

ECONOMIC SUMMARY PROJECTION

 Project Name :
 Lexaria - 10/31/2011

 Partner :
 Lexaria Corp

 Case Type :
 REPORT BREAK TOTAL CASE

As Of Date : 10/31/2011 Discount Rate (%) : 10.00 Custom Selection

Cum Oil (Mbb Cum Gas (MA	ol) : (cf) :	0.00 112.82							
Year	Gross Oil (Mbbl)	Gross Gas (MMcf)	Net Oil (Mfbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	Gas Revenue (\$)	Misc. Revenue (\$)
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2013	0.00	26.61	0.00	7.26	0.00	4.20	0.00	30,510.26	0.00
2014	0.00	22.62	0.00	6.18	0.00	4.20	0.00	25,936.61	0.00
2015	3.29	5.86	0.90	1.60	108,74	4.20	97,746.06	6,716.40	. 0.00
2016	4.82	0.00	1.32	0.00	108.74	0.00	143,015.20	0.00	0.00
2017	0.62	0.00	0.17	0.00	108.74	0.00	18,314.01	0.00	. 0.00

Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		8.73	55.08	2.38	15.04	108.74	4.20	259,075.27	63,163.26	0.00
Ult	8	8.73	167.90							
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	Annual Cash Flow (\$)	Cum Disc. Cash Flow (\$)
2011	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2012	1.00	0.00	0.00	0.00	0.00	0.00	. 0.00	0.00	0.00	0.00
2013	1.00	1,866.94	610.21	3,150.00	0.00	12,519.36	0.00	0.00	12,363.76	10,350.95
2014	1.00	1,587.07	518.73	0.00	0.00	12,337.92	0.00	0.00	11,492.88	19,175.41
2015	1.00	6,315.29	2,089.25	33,600.00	0.00	11,675.98	0.00	0.00	50,781,93	53,100.16
2016	1.00	8,638.78	2,860.30	0.00	0.00	12,337.92	0.00	0.00	119,178,19	127,898.78
2017	1.00	1,106.25	366.28	2,784.60	0.00	1,636.19	0.00	0.00	12,420.69	135,264.30

Rem.	0.00	0.00	0.00	0.00	0.00	0.00	0.	00	0.00	0.00
Total	19,514.34	6,444.77	39,534.60	0.00	50,507.37	0.00	0.	00 206,2	37.46 135,264	4.30
							Prese	nt Worth Pro	file (\$)	
			Disc. Initial Ir ROInvestmen Years to Payo Internal ROR	rvest. (\$) : t (disc/undisc) : ut : (%) :	28,022.64 5.83 / 6.22 3.62 516.66		PW PW PW PW PW	5.00%6 : 7.00%6 : 10.00%6 : 15.00%6 : 20.00%6 : 25.00%6 :	166,860.64 153,384.39 135,264.30 109,879.24 89,457.05 73,003.86	

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ECONOMIC SUMMARY PROJECTION As Of Date : 10/31/2011 Discount Rate (%) : 10.00

Total

Project Name : Partner : Case Type :	ect Name : Lexaria - 10/31/2011 mer : Lexaria Corp • Type : GRAND TOTAL CASE			As Of Date : 10/31/2011 Discount Rate (%) : 10.00 Custom Selection							
Cum Oil (Mbbl) : Cum Gas (MMcf) :		163.75 112.82									
Year	Gros Oil (Mbb	s Gro Ga I) (MM	ss s cf)	Net Oil (Mbbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (\$)	G: Reve (\$	as enue i)	Misc. Revenue (\$)
2011		9.68	0.00	1.96	0.00	108.74	0.00	213,606.88		0.00	0.00
2012		89.48	0.00	20.59	0.00	108.74	0.00	2,239,414.22		20 510 26	0.00
2013	3	104.70	20.01	25.30	618	108.74	4.20	2,953,915.51		25 036 61	0.00
2015		101 36	5.86	24.62	1.60	108.74	4.20	2.677.671.94		6,716.40	0.00
2016		0.6.00	0.00	13.65	0.00	108 74	0.00	2 571 241 62		0.00	0.00
2010		76.77	0.00	18.34	0.00	108.74	0.00	1.994 211 22		0.00	0.00
2018		31.42	0.00	6.09	0.00	108.74	0.00	661,832,58		0.00	0.00
2019		30.41	0.00	2.96	0.00	108.74	0.00	321,747.40		0.00	0.00
2020		18.97	0.00	2.59	0.00	108.74	0.00	281,661.37		0.00	0.00
2021		14.13	0.00	1.93	0.00	108.74	0.00	209,707.87		0.00	0.00
2022		7.88	0.00	1.08	0.00	108.74	0.00	116,913.20		0.00	0.00
2023		7.29	0.00	1.00	0.00	108.74	0.00	108,284.40		0.00	0.00
2024		6.77	0.00	0.92	0.00	108.74	0.00	100,556.79		0.00	0.00
2025		1.11	0.00	0.15	0.00	108.74	0.00	10,409.89		0.00	0.00
Rem		0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
Total	13	559.69	55.08	158.17	15.04	108.74	4.20	17,199,941.63		63.163.26	0.00
Ult	10	595 79	167.90					20.00220-0022222020		0.000	
	119995	1755/250	2003/02/02								
Year	Well Count	Net Tax Production (\$)	Net Tax AdValorem (\$)	Net Investment (\$)	Net Lease Costs (\$)	Net Well Costs (\$)	Other Costs (\$)	Net Profits (\$)	An Casl (inual h Flow (\$)	Cum Disc. Cash Flow (\$)
2011	7.00	12,902.85	4,272.14	0.00	0.00	38,399.0	0.00		0.00	158,032.89	156,686.78
2012	11.00	135,271.00	44,788.28	1,054,704.84	0.00	344,428.6	3 0.00	£	0.00	660,221.46	756,147.65
2013	11.00	179,209.84	59,328.52	3,150.00	0.00	448,212.7	7 0.00	1	0.00	2,276,524.65	2,683,947.71
2014	11.00	167,746.13	55,534.07	0.00	0.00	448,031.3	3 0.00	E	0.00	2,105,391.82	4,297,383.87
2015	11.00	162,154.78	53,687,77	33,600.00	0.00	447,369.3	9 0.00	6	0.00	1,987,576.40	5,674,371.15
2016	11:00	155,314.91	51,424.83	0.00	0.00	448,031.3	3 0.00	E.	0.00	1,916,470.55	6,876,833.37
2017	9.00	120,459.60	39,884.22	10,781.40	0.00	358,808.3	1 0.00	1	0.00	1,464,277.69	7,711,872.33
2018	6.00	39,977.76	13,236.65	3,998.40	0.00	148,828.6	2 0.00	É.	0.00	455,791.15	7,949,504.43
2019	4.00	19,435.03	6,434.95	0.00	0.00	98,879.9	6 0.00	l.	0.00	196,997.46	8,041,195.13
2020	4.00	17,013.65	5,633.23	0.00	0.00	93,348.3	6 0.00	E.	0:00	165,666.13	8,110,890.65
2021	2.00	12,667.33	4,194.16	1,999.20	0.00	74,957.5	9 0.00	N.	0.00	115,889.60	8,155,357.88
2022	2.00	7,062.10	2,338.26	0.00	0.00	46,982.6	3 0.00	É	0.00	60,530.21	8,176,207.85
2023	2.00	6,540.88	2,165.69	0.00	0.00	46,982.6	З .0.00		0.00	52,595.20	8,192,602.44
2024	2.00	6,074.10	2,011.14	0.00	0.00	46,982.6	3 0.00	É.	0.00	45,488.93	8,205,433.78
2025	. 0.00	991.23	328.20	1,999.20	0.00	7,830.4	4 0.00	ł.	0.00	5,260.81	8,206,835.27
Rem.		0.00	0.00	0.00	0.00	0.0	0.00	E.	0.00	0.00	0.00
Total		1,042,821.18	345,262.10	1,110,233.04	0.00	3,098,073.6	2 0.00		0.00 1	1,666,714.96	8,206,835.27
								0.237074			210
								Prese	ent Wort	th Profile (S) Marina de Marina
				Disc. In ROInve	itial Invest. (\$) : stment (disc/undisc)	1,029 : 8.9	,609.76 7 / 11.51	PW PW PW		5.00% : 7.00% : 10.00% :	9,736,242,36 9,082,573,11 8,206,835,27
				Years to Internal	Payout : ROR (%) :	0.82 >10	000	PW PW		15.00% : 20.00% :	6,980,540.14 5,986,658.60
								PW		25.00% :	5,173,280.16

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Case Name: PP F 12-3 Well: Reservoir: 2,800 Ft. Sand



Case Name: PP F 12-4 Well: Reservoir: 2,800 Ft. Sand



Case Name: PP F 12-4 Nonconsent Well: Reservoir: 2,800 Ft. Sand

► (Yeb/lda) liO

100

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01

10 12 Oil Rem: 64.57 Mbbl Gas Rem: 0.00 MMcf Class & Cat: Proved Producing

Oil Init Qi: 0.814Mbbl/mo Oil Init Ded: 7 % Oil Bfact 0.001

Case Name: PP F-12-5 Well: Reservoir: 2,800 Ft. Sand

Oil Init Qi: 0.818Mbbl/mo Oil Init Ded: 7 % Oil Bfact 0.001 Oil Oil Rem: 74.60 Mbbl Gas Rem: 0.00 MMcf Class & Cat: Proved Producing 丰 Oil (bbl/day) Page 52 of 77

Case Name: PP F-12-5 Nonconsent Well: Reservoir: 2,800 Ft. Sand

Oil Init Qi: 0.818Mbbl/mo Oil Init Ded: 7 % Oil Bfact 0.001 Oil 丰

Field: Belmont Oper: Griffin & Griffin Expl, LLC Location: Sec. 41, T2N - 4W



Oil (bbl/day)

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Oil Rem: 74.60 Mbbl Gas Rem: 0.00 MMcf Class & Cat: Proved Producing

Case Name: PP F-12-6 Well: Reservoir: 2,800 Ft. Sand

Oil Init Qi: 1.369Mbbl/mo Oil Init Decl: 5 % Oil Bfact 0.001 30 28 26 24 22 20 100 id 16 4 Oil Rem: 80.32 Mbbl Gas Rem: 0.00 MMcf Class & Cat: Proved Undeveloped 12 10 100 01 Page 54 of 77

Case Name: PP F-12-7 Well: Reservoir: 2,800 Ft. Sand

Oil Init Qi: 1.369Mbbl/mo Oil Init Ded: 5 % Oil Bfact 0.001 30 28 26 24 22 20 30 Dil. 16 4 Oil Rem: 80.32 Mbbl Gas Rem: 0.00 MMcf Class & Cat: Proved Undeveloped 12 I 10 ► (Yeb/lda) liO 100 01 Page 55 of 77

Case Name: PP F-12-8 Well: Reservoir: 2,800 Ft. Sand

28 Oil Init Qi: 1.369Mbbl/mo Oil Init Ded: 5 % Oil Bfact 0.001 26 24 22 20 C 100 16 4 Oil Rem: 80.32 Mbbl Gas Rem: 0.00 MMcf Class & Cat: Proved Undeveloped Т 12 10 Oil (bbl/day) 100 01 Page 56 of 77

Case Name: PP F-12-9 Well: Reservoir: 2,800 Ft. Sand



Case Name: PP F 39 PBP 1 Well: No. 1 Reservoir: Frio Oil Sand



Field: Artonish, E. Oper: Griffin & Griffin Expl, LLC Location: Sec. 6, T2N-R5W

Case Name: PP F 39 Well: No. 1 Reservoir: Frio Sand (2,800 Ft. Sand)



Field: Artonish, E. Oper: Griffin & Griffin Expl, LLC Location: Sec. 6, T2N-R5W G & G Production, LLC Petit Bois Office Park 1904 Lakeland Drive, Ste F Jackson, MS 39216 (601)713-1146

Settlement Statement

Lexaria Corporation Attn: Bal Bhullar Suite 950-1130 West Pender Street Vancouver, BC V6E 4A4

Account: L00010

Date: 10/07/2011

.

Summary b	y AFE	E Project:	Unpaid		Pre-Pmts	You	Pre-Pmts
Property# Al	FE#	Description	Bal Fwd	Expense	Applied	Owe	Bal Remain
PP1206 22	22	Palmetto Point 12-6		and the second s	E How P		152,439,92
PP1207 23	33	Palmetto Point 12-7					152 439 92
		Project Totals:					304,879.84
Summary b	y Pro	perty:					Ck# 15818
				Net		You	Written
Property#		Description		Income	Expense	Owe	to YOU for
PP1203	1	Palmetto Point 12-3		20,030.27	10,560.90		9,469.37
PP1204		Palmetto Point 12-4		38,499.51	5,841.02		32,658,49
PP1205	1	Palmetto Point 12-5		38,065.93	5,575,43		32,490,50
PPF012		Palmetto Point Frio-12		25,640.63	3,241.42		22,399,21
PPF021		Palmetto Point Frio-21			1,751.25	1,751,25	
PPF029		PALMETTO POINT FRIO-29		1,446.78	1,014.07		432.71
PPF036	1	Palmetto Point Frio-36			75.60	75.60	
PPF039	1	Palmetto Point Frio-39			63.00	63.00	
PPF040	1	Palmetto Point Frio-40			97.50	97.50	
PPF041		Salt Water Disposal Well			358.00	358.00	
PPF042		Palmetto Point Frio-42			47.25	47.25	
PPF06B	ł	Palmetto Point Frio-6B			7.87	7.87	
PPF118	ł	Palmetto Point Frio-118			18.75	18.75	
PPF52A	F	Palmetto Point Frio-52A			7.87	7.87	
	[Deduct to pay what you owe				(2,427,09)	(2,427,09)
		Totals:		123,683.12	28,659.93	0.00	95,023.19

For Inquiries about your account, please call 601-713-1146.

Owner#:	Check#/Date	Gross Revenue	Working	Royalty	Deductions	Withholding	Pmt Amount
L00010	15818	Check Totals:	131,546.38		36,523.19		95.023.19
	10/07/2011	2011 Totals:	1,274,517.10		395,671.19		878,845,91

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Property: (PP1203) Palmetto Point 12-3 County: WILKINSON, MS Revenue:

Prd Date	Prod	Price Per	Volume/Share		Description	Property Amt	Your Share
08/2011	OIL	\$/BBL:99.93	781.38 /162.55		Oil Sales:	78,080.18	16,242.88
	Wrk NRI	0.20802815		Oil F	Production Tax:	4,684.81-	974.57-
				(Oil Mineral Tax:	34.38-	7.15-
					Net Income:	73,360.99	15,261.16
08/2011	OIL	\$/BBL:99.93	781.38 /50.80		Oil Sales:	78,080.18	5.075.90
	Wrk-1 Nf	RI:0.06500880		Oil F	Production Tax:	4.684.81-	304.56-
				(Dil Mineral Tax:	34.38-	2.23-
					Net Income:	73,360.99	4,769.11
		Total Reven	ue for Property			-	20,030.27
Expenses	:: D-f	Decements				12201010	
Operati	ng Costs	Description		Deck/AFE	Invoice Amt	Total	Your Share
Pum	per/Gau	ger					
	1022	Daniel Vines Doz	er		300.00		
	1276	Griffin & Griffin Ex	ploration, LLC		2 000 90	2 300 90	821 42
Adm	inistrative	e Overhead			2,000.00	2,000.00	021.42
	1274	Griffin & Griffin Ex	ploration, LLC		802.50	802.50	286.49
Chei	mical & Se	olvents					
	243945	X Chem			692.10		
	243946	X Chem			638.28		
	243948	X Chem			760.39	2,090.77	746.40
Repa	air & Main	tenance					
20.8.10.W	15243	Coastal Pipe of L	ouisiana, Inc.		7,682.64	7,682.64	2,742.71
Insu	rance						
	227724	Ross & Yerger In:	surance		31.25	31.25	11.16
Mate	erials & Su	pplies					
	211647	Beacon Supply C	ompany, Inc.		105.51		
	211711	Beacon Supply C	ompany, Inc.		10.56		
	212006	Beacon Supply C	ompany, Inc.		148.73	264.80	94.54
Serv	ice Equip	ment					
22000	406312	Pressure Services	s, Inc.		94.16	94.16	33.62
Cons	sulting Se	rvices					
1	110801-1	Neofirma, Inc.			113.66	113.66	40.58
Road	is & Loca	tion					
	1023	Daniel Vines Doze	ər		75.00		
	1024	Daniel Vines Doze	er		37.50		
	1032	Daniel Vines Doze	er		18.75	131.25	46.86
Com	pression						
1.400	6608	COMPRESSOR 8	ENGINE SERV LLC		2,209.50	2,209.50	788.79
Char	t Integrati	on	CONTRACTOR CONTRACTOR				
	887182	Southern Flow Co	mpanies, Inc.		15.90		
	888718	Southern Flow Co	mpanies, Inc.		117.16		
0	891549	Southern Flow Co	mpanies, Inc.		36.24	169.30	60.44
Gas	ransport	auon			1.000 000-000-000-000-000-000-000-000-000		
	11	l'unica Pipeline, L	LC		198.87	198.87	70.99
Rous	stabout						
	9	VPS, LLC			2,140.00		
	12	VPS, LLC			2,134.65		
	13	VPS, LLC			2,279.10		
	14	VPS, LLC			864.03		
	15	VPS, LLC			2,525.20		
	16	VPS, LLC			2,140.00		
	18	VPS, LLC	8		1,341.07	10000000000	10000000
	1033	Daniel Vines Doze	n ooto		68.66	13,492.71	4,816.90
	10	tai Operating C	osts			29,582.31	10,560.90

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From: G & G Production, LLC To: Lexaria Corporation

Property: (PP1203) Palmetto Point 12-3 (Continued)

by Deck/AFE		0.272000 0.085000	000 29 000 29	582.31 582.31	8,046.36 2,514.54
Property Summary: PP1203	Net Rev IntWrk Interest 0.20802815 0.27200000 0.06500880 0.08500000	WI Revenue 15,261,16 4,769,11	Expenses 8,046.36 2,514.54		Net Cash 7,214.80
Total Cas	h Flow		20,030.27	10,560.90	9,469.37

Property: (PP1204) Palmetto Point 12-4 County: WILKINSON, MS

Revenue:

Prd Date	Prod	Price Per	Volume/Share		Description	Property Amt	Your Share
08/2011	OIL	\$/BBL:99.93	852.41 /354.65		Oil Sales:	85,177.93	35,438.82
	Wrk NRI:	0.41605631		Oil F	Production Tax:	5,110.68-	2,126.33-
					Oil Mineral Tax:	37.51-	15.61-
					Net Income:	80,029.74	33,296.88
08/2011	OIL	\$/BBL:99.93	852.41 /55.41		Oil Sales:	85,177.93	5.537.31
	Wrk-1 NF	RI: 0.06500880		Oil F	Production Tax:	5,110.68-	332.24-
				(Oil Mineral Tax:	37.51-	2.44-
					Net Income:	80,029.74	5,202.63
		Total Reven	ue for Property				38,499.51
Expenses:							
F	Reference	Description		Deck/AFE	Invoice Amt	Total	Your Share
Operatir	ng Costs					1000000	
Pum	per / Gaug	ger					
	1022	Daniel Vines Doz	er		300.00		
	1276	Griffin & Griffin Ex	xploration, LLC		2.000.90	2,300,90	1 447 26
Admi	inistrative	overhead			2	21000100	1111120
	1274	Griffin & Griffin E:	ploration, LLC		802 50	802 50	504 77
Chen	nical & So	olvents	949000 00707000 09507070700			002.00	004.11
	243945	X Chem			692.10		
	243946	X Chem			638.28		
	243948	X Chem			760.39	2 000 77	1 315 10
Insur	ance				100.00	2,050.77	1,313,10
	227724	Ross & Verner In	ADUCA		31.25	24.95	10.00
Mater	rials & Su	nolies	Suranos		31.23	31.20	19.00
march	211647	Beacon Supply C	omnany Inc		105 50		
	211747	Beacon Supply C	ompany, inc.		100.02		
	212006	Beacon Supply C	ompany, inc.		10.50		
	212000	Beacon Supply C	ompany, inc.		140.73		
	212333	White's "T & I" O	lifield Supply, Inc.		422.22	004.00	105.00
Cons	ulting So	wines i a J O	meia Sappiy, mo.		4.09	691.62	435.03
CONS	uning sei	Vices			110.00	002027	3923
Bood	110801-1	Neolirma, Inc.			113.66	113.66	71.50
Road	s & Local		22		1222112221		
	1023	Daniel Vines Dozi	er		75.00		
	1024	Daniel Vines Doz	er		37.50		
0	1032	Daniel Vines Dozi	er		18.75	131.25	82.56
Comp	pression						
	6614	COMPRESSOR 8	ENGINE SERV LLC		2,493.75	2,493.75	1,568.57
Chart	Integrati	on					
	887182	Southern Flow Co	mpanies, Inc.		15.90		
	888719	Southern Flow Co	mpanies, Inc.		310.78		
	891549	Southern Flow Co	mpanies, Inc.		36,24	362.92	228.28
Gas 1	ransport	ation					
	77	Tunica Pipeline, L	LC		198,88	198.88	125.10
Rous	tabout	- ANTA MA				1.1912.012.9	10.000.000
	1033	Daniel Vines Doze	er		68.66	68.66	43 19
					0.000		10.10

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Property: (PP1204) Palmetto Point 12-4 (Continued) Expenses: (Continued)

Reference	e Description	Deck/AFE	Invoice)	Amt	Total	Your Share
	Total Operating Costs				9,286.16	5.841.02
Billing Summary			0.544000	000	9,286.16	5,051.67
by Deck/AFE			0.085000	000	9,286.16	789.35
Property Summary:	Net Rev IntWrk Interest	WI	Revenue	Expenses		Net Cash
PP1204	0.41605631 0.54400000	3	3,296.88	5,051.67		28,245.21
	0.06500880 0.08500000		5,202.63	789.35		4,413.28
Total	Cash Flow			38,499.51	5,841.02	32,658,49

Property: (PP1205) Palmetto Point 12-5 County: WILKINSON, MS

Revenue:

IL (rk NRI: IL (rk-1 NRI (rk-1 NRI (rk-1 NRI (rk-1 NRI (rk-1 NRI (rk-1 NRI (rk-1 NRI (rk-1 NRI)	\$/BBL:99.93 0.41605631 \$/BBL:99.93 0.06500880 Total Reven	842.81 /350.66 	Oil F Oil F Oil F	Oil Sales: Production Tax: Dil Mineral Tax: Net Income: Oil Sales: Production Tax: Dil Mineral Tax: Net Income:	84,218.63 5,053.12- 37.08- 79,128.43 84,218.63 5,053.12- 37.08-	35,039.69 2,102.39- 15.43- 32,921.87 5,474.96 328.49-
rk NRI: IL rk-1 NRI costs / Gaug	0.41605631 \$/BBL:99.93 1: 0.06500880 Total Reven		Oil F Oil F Oil F	Production Tax: Dil Mineral Tax: Net Income: Oil Sales: Production Tax: Dil Mineral Tax: Net Income:	5,053.12- 37.08- 79,128.43 84,218.63 5,053.12- 37.08-	2,102.39- 15.43- 32,921.87 5,474.96 328.49-
IL rk-1 NRI rence [Costs / Gaug	\$/BBL:99.93 1: 0.06500880 Total Reven Description		Oil F	Dil Mineral Tax: Net Income: Oil Sales: Production Tax: Dil Mineral Tax: Net Income:	37.08- 79,128.43 84,218.63 5,053.12- 37.08-	15.43- 32,921.87 5,474.96 328.49-
IL Irk-1 NRI Irence [Costs / Gaug	\$/BBL:99.93 1: 0.06500880 Total Reven Description	842.81 /54.79	Oil F C	Net Income: Oil Sales: Production Tax: Dil Mineral Tax: Net Income:	79,128.43 84,218.63 5,053.12- 37.08-	32,921.87 5,474.96 328.49-
rk-1 NRI rence [Costs / Gaug	\$/BBL:99.93 1: 0.06500880 Total Reven	842.81 /54.79 ue for Property	Oil F	Oil Sales: Production Tax: Dil Mineral Tax: Net Income:	84,218.63 5,053.12- 37.08-	5,474.96 328.49-
rence [Costs / Gaug	Total Reven	ue for Property	Oil F	Production Tax: Dil Mineral Tax: Net Income:	5,053.12- 37.08-	328.49-
rence [Costs / Gaug	Total Reven	ue for Property		Dil Mineral Tax: Net Income:	37.08-	
rence [Costs / Gaug	Total Reven	ue for Property		Net Income:		2.41-
rence [Costs / Gaug	Total Reven	ue for Property			79,128.43	5,144.06
rence [Costs / Gaug	Description				×	38,065.93
Costs / Gaug	Description					
/ Gaug			Deck/AFE	Invoice Amt	Total	Your Share
1022 F	or					
11122	Caniel Vines Doz	er		300.00		
1276 (Sriffin & Griffin Fr	coloration 11 C		2 000 00	2 200 00	4 447 00
trative	Overhead	plotadon, ELO		2,000.90	2,300.90	1,447.26
1274 0	Griffin & Griffin Ex	ploration, LLC		802.50	802.50	504.78
al & Sol	lvents				10.0000-000	1000000
43945 X	(Chem			692.10		
13946 X	(Chem			638.28		
43948 X	(Chem			760.39	2,090,77	1.315.10
ce						
27724 F	Ross & Yerger In:	surance		31.25	31.25	19.65
s & Sup	oplies					
1647 B	Beacon Supply C	ompany, Inc.		105.52		
1711 B	Beacon Supply C	ompany, Inc.		10.56		
2006 B	Beacon Supply C	ompany, Inc.		148.73		
6328 V	Vhite's "T & J" Oi	Ifield Supply, Inc.		4.59	269.40	169.45
ing Ser	vices					
801-1 N	leofirma, Inc.			113.66	113.66	71.49
Locati	on					
1023 D	aniel Vines Doze	ər		75.00		
1024 D	aniel Vines Doze	er		37.50		
1032 D	aniel Vines Doze	er		18.75	131.25	82.56
ssion						0.00005889
6614 C	OMPRESSOR 8	ENGINE SERV LLC		2,493.75	2,493.75	1,568.57
tegratio	n					
7182 S	outhern Flow Co	mpanies, Inc.		15.90		
8719 S	outhern Flow Co	mpanies, Inc.		310.78		
1549 S	outhern Flow Co	mpanies, Inc.		36.24	362.92	228.28
nsporta	tion	- 1992 1992 M.C.S.M.		12120121		
-	unica Pipeline, L	LC		198.88	198.88	125.10
5 111216 in 80 1 1 1 1 5 6 te 7 18 1 5	& Sup 647 E 711 E 006 E 328 V g Ser 01-1 N Locati 023 E 024 E 024 E 023 E 024 E 024 E 023 E 024 E 024 E 024 E 024 E 549 S 549 S 549 S	& Supplies 647 Beacon Supply C 711 Beacon Supply C 006 Beacon Supply C 328 White's "T & J" Oi g Services 01-1 Neofirma, Inc. Location 023 Daniel Vines Doze 032 Daniel Vines Doze 034 Daniel Vines Doze 035 Daniel Vines Doze 035 Daniel Vines Doze 036 Daniel Vines Doze 037 Daniel Vines Doze 038 Daniel Vines Doze 039 Daniel Vines Doze 030 Daniel Vines Doze 031 Daniel Vines Doze 032 Daniel Vines Doze 033 Daniel Vines Doze 034 Daniel Vines Doze 035 Daniel Vines Doze 036 Daniel Vines Doze 037 Daniel Vines Doze 036 Daniel Vines Doze 036 Daniel Vines Doze 037 Daniel Vines Doze 038 Daniel Vines Doze 039 Daniel Vines Doze 039 Daniel Vines Doze 030 Daniel Vines Doz	& Supplies 647 Beacon Supply Company, Inc. 711 Beacon Supply Company, Inc. 006 Beacon Supply Company, Inc. 328 White's "T & J" Oilfield Supply, Inc. <i>g Services</i> 01-1 Neofirma, Inc. Location 023 Daniel Vines Dozer 024 Daniel Vines Dozer 025 Daniel Vines Dozer 026 Daniel Vines Dozer 027 Daniel Vines Dozer 038 Daniel Vines Dozer 039 Daniel Vines Dozer 030 Daniel Vines Dozer 030 Daniel Vines Dozer 031 Daniel Vines Dozer 032 Daniel Vines Dozer 033 Daniel Vines Dozer 034 Daniel Vines Dozer 035 Daniel Vines Dozer 036 Daniel Vines Dozer 037 Daniel Vines Dozer 038 Daniel Vines Dozer 039 Daniel Vines Dozer 039 Daniel Vines Dozer 030 Daniel Vines Dozer 031 Daniel Vines Dozer 032 Daniel Vines Dozer 033 Daniel Vines Dozer 034 Daniel Vines Dozer 035 Daniel Vines Dozer 035 Daniel Vines Dozer 036 Daniel Vines Dozer 037 Daniel Vines Dozer 038 Daniel Vines Dozer 039 Daniel Vines Dozer 039 Daniel Vines Dozer 030 Daniel Vines Dozer 031 Daniel Vines Dozer 032 Daniel Vines Dozer 033 Daniel Vines Dozer 034 Daniel Vines Dozer 035 Daniel Vines Dozer 035 Daniel Vines Dozer 036 Daniel Vines Dozer 037 Daniel Vines Dozer 038 Daniel Vines Dozer 039 Daniel Vines Dozer 039 Daniel Vines Dozer 030 Daniel Vines Dozer 030 Daniel Vines Dozer 031 Daniel Vines Dozer 032 Daniel Vines Dozer 033 Daniel Vines Dozer 034 Daniel Vines Dozer 035 Daniel Vines Dozer 036 Daniel Vines Dozer 037 Daniel Vines Dozer 038 Daniel Vines Dozer 039 Daniel Vines Dozer 030 Daniel Vines Dozer 030 Daniel Vines Dozer 030 Daniel Vines Dozer 031 Daniel Vines Dozer 032 Daniel Vines Dozer 033 Daniel Vines Dozer 034 Daniel Vines Dozer 035 Daniel Vines Dozer 036 Daniel Vines Dozer 037 Daniel Vines Dozer 038 Daniel Vines Dozer 039 Daniel Vines Dozer 037 Daniel Vines Dozer	 & Supplies 647 Beacon Supply Company, Inc. 711 Beacon Supply Company, Inc. 006 Beacon Supply Company, Inc. 328 White's "T & J" Oilfield Supply, Inc. g Services 01-1 Neofirma, Inc. Location 023 Daniel Vines Dozer 024 Daniel Vines Dozer 032 Daniel Vines Dozer 032 Daniel Vines Dozer 033 Daniel Vines Dozer 044 COMPRESSOR & ENGINE SERV LLC gration 182 Southern Flow Companies, Inc. 549 Southern Flow Companies, Inc. 540 Southern Flow Companies, Inc. 541 Southern Flow Companies, Inc. 542 Southern Flow Companies, Inc. 543 Southern Flow Companies, Inc. 544 Southern Flow Companies, Inc. 545 Southern Flow Companies, Inc. 546 Southern Flow Companies, Inc. 547 Tunica Pipeline, LLC 	& Supplies 105.52 647 Beacon Supply Company, Inc. 10.56 711 Beacon Supply Company, Inc. 10.56 006 Beacon Supply Company, Inc. 148.73 328 White's "T & J" Oilfield Supply, Inc. 4.59 g Services 101.1 Neofirma, Inc. 113.66 Location 1023 Daniel Vines Dozer 75.00 024 Daniel Vines Dozer 37.50 032 Daniel Vines Dozer 18.75 sion 182 Southern Flow Companies, Inc. 15.90 719 Southern Flow Companies, Inc. 310.78 549 Southern Flow Companies, Inc. 36.24 sportation 36.24 77 Tunica Pipeline, LLC 198.88	& Supplies 01.20 647 Beacon Supply Company, Inc. 105.52 711 Beacon Supply Company, Inc. 10.56 006 Beacon Supply Company, Inc. 148.73 328 White's ''T & J'' Oilfield Supply, Inc. 4.59 269.40 g Services 011 Neofirma, Inc. 113.66 113.66 Location 113.66 113.66 113.66 Location 75.00 024 Daniel Vines Dozer 75.00 023 Daniel Vines Dozer 75.00 032 Daniel Vines Dozer 18.75 131.25 032 Daniel Vines Dozer 18.75 131.25 131.25 storn 18.75 131.25 131.25 file COMPRESSOR & ENGINE SERV LLC 2.493.75 2.493.75 gration 182 Southern Flow Companies, Inc. 15.90 719 Southern Flow Companies, Inc. 310.78 362.92 Sportation 36.24 362.92 362.92 sportation 398.88 198.88 198.8

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From: G & G Production, LLC To: Lexaria Corporation

Total

Your Share

43.19 **5,575.43** 4,822.01

753.42

Property: (PP1205) Palmetto Point 12-5 (Continued)

Expenses: (Continued)		
Reference Description	Deck/AFE Invoice Amt	Tota
Roustabout		
1033 Daniel Vines Dozer	68.66	68.66
Total Operating Costs		8,863.94
Billing Summary	0.54400000	8,863.94
by Deck/AFE	0.08500000	8,863,94

Property Summary:	Net Rev IntWrk Interest	WI Revenue	Expenses		Net Cash	
PP1205	0.41605631 0.54400000	32,921.87 4,822.01			28,099.86	
	0.06500880 0.08500000	5,144.06	753.42		4,390.64	
Total Casi	h Flow		38,065.93	5,575.43	32,490.50	

Property: (PPF012) Palmetto Point Frio-12 County: WILKINSON, MS

Revenue:

Prd Date	Prod	Price Per	Volume/Share		Description	Property Amt	Your Share
08/2011	OIL	\$/BBL:99.93	1,000.24 /208.08		Oil Sales:	99,949.99	20,792.41
	Wrk NRI:	0.20802815		Oil F	Production Tax:	5,997.00-	1,247.54-
					Oil Mineral Tax:	44.01-	9.15-
					Net Income:	93,908.98	19,535.72
08/2011	OIL	\$/BBL:99.93	1,000.24 /65.02		Oil Sales:	99,949,99	6,497.63
	Wrk-1 NF	RI: 0.06500880		Oil F	Production Tax:	5,997.00-	389.86-
				(Oil Mineral Tax:	44.01-	2.86-
					Net Income:	93,908.98	6,104.91
		Total Rever	nue for Property			· · · · ·	25,640.63
Expenses	1	2		-22-202222	N 8 28 1		Contraction of the second
	Reference	Description		Deck/AFE	Invoice Amt	Total	Your Share
Operati	ng Costs						
Pum	per / Gau	ger					
	1022	Daniel Vines Do	zer		300.00		
	1276	Griffin & Griffin E	Exploration, LLC		2,000.90	2,300.90	821.42
Adm	inistrative	e Overhead					
	1274	Griffin & Griffin E	exploration, LLC		802.50	802.50	286.49
Cher	nical & So	olvents					
	243945	X Chem			692.12		
	243946	X Chem			638.29	6000100000	
1	243948	X Chem			760.42	2,090.83	746.43
insui	rance						
	22//24	Ross & Yerger Ir	isurance		31.25	31.25	11.16
wate	riais & Su	pplies			12-12-12-12-12-12-12-12-12-12-12-12-12-1		
	211647	Beacon Supply (Company, Inc.		105.51		
	211/11	Beacon Supply C	Company, Inc.		10.59		
	211914	Beacon Supply C	Jompany, Inc.		603.78		
Son		Beacon Supply C	company, inc.		148.73	868.61	310.10
Servi	tocoto	nen Deserver Cooles	- 122		01.10		CORREL
Con	406312	Pressure Service	2S, INC.		94.16	94.16	33.62
Cons	and your a	Nections Inc.			440.70		
Dese	110801-1	tion			113.70	113.70	40.59
Road	IS & LUCA	Deniel Vieren Den	22.5		75.00		
	1023	Daniel Vines Do	zer		75.00		
	1024	Daniel Vines Doz	zer		37.50	101.05	
Com	araccian	Daniel vines Doz	201		18.75	131.25	46.86
com	econ	COMPRESSOR			0.000 50	0.000 55	
Char	6008	COMPRESSOR	a ENGINE SERVILLC		2,209.50	2,209.50	788.79
Char	antegrati	Deuthern Elevic	enterles he		15.00		
	88/182	Southern Flow C	ompanies, inc.		15.90		

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Property: (PPF012) Palmetto Point Frio-12 (Continued) Expenses: (Continued)

mybourgeon loon	(and day)					
Reference	Description	Deck/AFE	Invoice Ar	nt	Total	Your Share
888718	Southern Flow Companies, Inc.		117.1	7	11.54.75	
891549	Southern Flow Companies, Inc.		36.2	7	169.34	60.44
Gas Transpo	ortation					00.11
77	' Tunica Pipeline, LLC		198.8	7	198.87	70 99
Roustabout						
1033	Daniel Vines Dozer		68.7	1	68.71	24.53
	Fotal Operating Costs				9,079.62	3.241.42
Billing Summary			0.2720000	0	9,079.62	2,469.65
by Deck/AFE			0.0850000	0	9,079.62	771.77
Property Summary:	Net Rev IntWrk Interest	WIF	levenue	Expenses		Net Cash
PPF012	0.20802815 0.27200000	19	9,535.72	2,469.65		17,066.07
	0.06500880 0.08500000		5,104.91	771.77	and the state of the state	5,333.14
Total (Cash Flow			25,640.63	3,241.42	22,399.21

Property: (PPF021) Palmetto Point Frio-21 County: WILKINSON, MS

Expenses:					
Referenc	e Description	Deck/AFE	Invoice Amt	Total	Your Share
Operating Cost	S		10104004,40003010400		
Pumper / Ga	uger				
102	2 Daniel Vines Dozer		300.00		
127	6 Griffin & Griffin Exploration, LLC		665.48	965.48	405.50
Administrat	ve Overhead				10.2425
127-	4 Griffin & Griffin Exploration, LLC		802.50	802.50	337.05
Materials &	Supplies				001100
21200	Beacon Supply Company, Inc.		148.73	148.73	62.47
Salt Water D	isposal			2.300 A.	V6
9628	8 Redco		882.75		
SWDISPOS	Reimbursement from Ronmar to owners 21 for SWD Aug 2011 on PPF 12-5	of PPF	298.41-		
SWDISPOS	Reimbursement from Ronmar to owners 21 for SWD Aug 2011 on PPF 12-4	of PPF	598.90-	14.56-	6.12-
Roads & Loo	ation				
434173	Buddy Ashley		157.50		
1025	Daniel Vines Dozer		225.00		
1032	2 Daniel Vines Dozer		18.75	401.25	168.52
Roustabout					
\$	VPS, LLC		1,797.60		
1033	Daniel Vines Dozer		68.66	1,866.26	783.83
	Fotal Operating Costs			4,169.66	1.751.25
Billing Summary	Recompletion of PPF021		0.32000000	4,169.66	1,334.29
by Deck/AFE	Recompletion of PPF021		0.10000000	4,169.66	416.96
Property Summary: PPF021	Wrk Interest 0.32000000 0.10000000		Expe 1,33	nses 34.29	You Owe 1,334.29
	Total			1,751.2	5

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Property: (PPF029) PALMETTO POINT FRIO-29 County: WILKINSON, MS

Revenue:

Prd Date	Prod	Price Per	Volume/Share		Descripti	on Pro	perty Amt	Your Share
08/2011	GLF	\$/MCF:4.17	1,591 /244.90	Gas Li	ft Fuel Incom	e:	6,634.47	1,021.26
Wr	Wrk NRI	0.15393134			Net Incom	e:	6,634.47	1,021.26
08/2011	GLF	\$/MCF:4.17	1,591 /102.04	Gas Li	ft Fuel Incom	e:	6,634.47	425.52
	Wrk-1 N	RI:0.06413807			Net Incom	e:	6,634.47	425.52
		Total Reven	ue for Property				1. 1	1,446.78
Expenses	:							
3	Reference	Description		Deck/AFE	Invoice Ar	nt	Total	Your Share
Operati	ng Costs							
Pum	per / Gau	iger						
	1022	Daniel Vines Doz	er		250.0	0		
	1276	Griffin & Griffin E	xploration, LLC		1,000.4	5	1,250.45	361.38
Adm	inistrativ	e Overhead						
	1274	Griffin & Griffin E:	xploration, LLC		802.5	0	802.50	231.92
Con	sulting Se	ervices						
	110801-1	Neofirma, Inc.			113.6	6	113.66	32.85
Road	is & Loca	ation						
	434159	Buddy Ashley			112.5	0		
	434162	Buddy Ashley			45.0	0		
	1026	Daniel Vines Doz	er		225.0	0	382.50	110.55
Char	t Integrat	tion						
	888720	Southern Flow Co	ompanies, Inc.		204.3	7		
	891550	Southern Flow Co	ompanies, Inc.		16.1	6	220.53	63.74
Rous	stabout							
	18	VPS, LLC			670.5	3		
	1033	Daniel Vines Doz	er		68.6	6	739.19	213.63
	T	otal Operating C	Costs				3,508.83	1,014.07
Billing Su	mmary				0.2040000	D	3,508.83	715.81
by Deck//	AFE				0.0850000	0	3,508.83	298.26
Property Su	mmary:	Net Rev I	ntWrk Interest	WIE	Revenue	Expenses		Net Cash
PPF029		0.1539313	4 0.20400000		1,021.26	715.81		305.45
	Total C	0.0641380	/ 0.08500000		425.52	298.26		127.26
	TOTAL Ca	1341 FIOW				1,446.78	1,014.07	432.71

Property: (PPF036) Palmetto Point Frio-36 County: WILKINSON, MS

Expenses:		and a second second		•		
Referen	ce Description		Deck/AFE	Invoice Amt	Total	Your Share
Operating Cos	sts					Tour onlard
Roads & Lo	ocation					
43410	67 Buddy Ashley		DEFIC	180.00	180.00	75.60
1072475	Total Operating Co	sts			180.00	75.60
Billing Summary	Deficit Deck		DEFIC	0.32000000	180.00	57.60
by Deck/AFE	Deficit Deck		DEFIC	0.10000000	180.00	18.00
Property Summary:	<u>v</u>	Vrk Interest		Exper	ISES	You Owe
PPF036		.32000000		5	7.60	57.60
		3.10000000		1	8.00	18.00
	Total				75.0	30

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Expenses: Reference Operating Cos Roads & Lo 43417 43417	e Description		iette i entri no oo	e e unit, i time tu	13014, 1415	
Operating Cos Roads & Lo 43417 43417			Devision	Annual and Annual		0
Roads & Lo 43417 43417	e Description		DECKAFE	Invoice Ami	i otal	Your Share
43417 43417	cation					
43417			DEELO			
43417	4 Buddy Ashley		DEFICI	112.50		121211-000
	5 Buddy Ashley	Conto	DEFICI	37.50	150.00	63.00
Dilling Summer	Dofinit Deals	COSIS	DECIO	6.00000000	150.00	63.00
billing Summary	Deficit Deck		DEFICI	0.32000000	150.00	48.00
DY DECKAPE	Dencil Deck		DEFICI	0.10000000	150.00	15.00
Property Summary: PPF039		Wrk Interest 0.32000000 0.10000000		Experies 4	nses_ 48.00	- <u>You Ow</u> 48.00
	Total				63.	00
	Deserve des //					
Evnenses	Property: (I	PF040) Pain	letto Point Frio-40	County: WILKIN	ISON, MS	
Reference	e Description		Deck/AEE	Invoice Amt	Total	V- Ob
Operating Cost	e Description		DECKAPE	Invoice Amt	Iotai	Your Share
Ponda & Lo	cation					
Roads & LO				1000 C		
43417	2 Buddy Ashley			157.50	10 CA 10 C - 20 C	
43417	Buddy Ashley	Casta		37.50	195.00	97.50
	l otal Operating	Costs			195.00	97.50
Property Summary: PPF040		Wrk Interest 0.50000000		Exper	nses	You Own
Operating Cost	e Description		Deck/AFE	Invoice Amt	Total	Your Share
Operating Cost	S				(orda)	Tour onlard
Materials &	Supplies					
212013 Roads & Lo	5 Beacon Supply (cation	Company, Inc.		743.65	743 65	
	Buddy Ashley				140.00	312.33
43417				90.00	140.00	312.33
43417	2 Daniel Vines Do	70r		90.00	100.75	312.33
43417 103 <u>2</u>	2 Daniel Vines Do Total Operating	zer Costs		90.00 18.75	108.75	312.33
43417 103	2 Daniel Vines Do. Total Operating Deficit Deck	zer Costs		90.00 18.75	108.75 852.40	312.33 45.67 358.00
43417 103 <u>:</u> Billing Summary by Deck/AFE	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck	zer Costs		90.00 18.75 0.32000000 0.10000000	108.75 852.40 852.40	312.33 45.67 358.00 272.77 85.23
43417 103 <u>:</u> Billing Summary by Deck/AFE	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck	zer Costs		90.00 18.75 0.32000000 0.10000000	108.75 852.40 852.40 852.40	312.33 45.67 358.00 272.77 85.23
43417 103 <u>i</u> Billing Summary by Deck/AFE Property Summary:	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck	Zer Costs Wrk Interest		90.00 18.75 0.32000000 0.10000000 Expen	108.75 852.40 852.40 852.40	312.33 45.67 358.00 272.77 85.23 You Owe
43417 103 <u>3</u> Billing Summary by Deck/AFE Property Summary: PF041	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck	Zer Costs Wrk Interest 0.32000000		90.00 18.75 0.32000000 0.10000000 <u>Expen 27</u>	108.75 852.40 852.40 852.40	312.33 45.67 358.00 272.77 85.23 You Owe 272.77
43417 103 <u>:</u> by Deck/AFE Property Summary: PF041	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck	Zer Costs Wrk Interest 0.32000000 0.10000000		90.00 18.75 0.32000000 0.10000000 <u>Expen 27</u> 8	108.75 852.40 852.40 852.40	312.33 45.67 358.00 272.77 85.23 <u>You Owe</u> 272.77 85.23
43417 103 by Deck/AFE Property Summary: PF041	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck Total	Zer Costs Wrk Interest 0.32000000 0.10000000		90.00 18.75 0.32000000 0.10000000 <u>Expen</u> 27: 85	108.75 852.40 852.40 852.40 852.40 1585 2.77 5.23 358.0	312.33 45.67 358.00 272.77 85.23 <u>You Owe</u> 272.77 85.23 00
43417 103 by Deck/AFE Property Summary: PF041	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck Total Property: (F	Zer Costs <u>Wrk Interest</u> 0.32000000 0.10000000 PF042) Palm	etto Point Frio-42	90.00 18.75 0.32000000 0.10000000 Expen 277 85 County: WILKINS	108.75 852.40 852.40 852.40 852.40 1565 2.77 5.23 358.0 SON, MS	312.33 45.67 358.00 272.77 85.23 <u>You Owe</u> 272.77 85.23 00
43417 103 by Deck/AFE Property Summary: PF041	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck Total Property: (F	Zer Costs <u>Wrk Interest</u> 0.32000000 0.10000000 PF042) Palm	etto Point Frio-42	90.00 18.75 0.32000000 0.10000000 Expen 27: 8: County: WILKIN:	108.75 852.40 852.40 852.40 852.40 108 108 108 108 108 108 108 108 108 10	312.33 45.67 358.00 272.77 85.23 <u>You Owe</u> 272.77 85.23 00
43417 103 by Deck/AFE property Summary: PF041	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck Total Property: (P	2er Costs <u>Wrk Interest</u> 0.32000000 0.10000000 PF042) Palm	etto Point Frio-42 Deck/AFE	90.00 18.75 0.32000000 0.10000000 Expen 27: 8: County: WILKIN: Invoice Amt	108.75 852.40 852.40 852.40 108.75 852.40 108.75 852.40 108.75 852.40 852.40 108.75 852.40 855.00 856.00	312.33 45.67 358.00 272.77 85.23 <u>You Owe</u> 272.77 85.23 00 Your Share
43417 103 by Deck/AFE Property Summary: PF041 Expenses: <u>Reference</u> Operating Costs	2 Daniel Vines Do Total Operating Deficit Deck Total Total Property: (P Description	2er Costs 0.32000000 0.10000000 PF042) Palm	etto Point Frio-42 Deck/AFE	90.00 18.75 0.32000000 0.10000000 <u>Expen</u> 27: 80 County: WILKIN: Invoice Amt	108.75 852.40 852.40 852.40 1525 2.77 5.23 358.0 SON, MS Total	312.33 45.67 358.00 272.77 85.23 You Owe 272.77 85.23 00 Your Share
43417 103 Billing Summary by Deck/AFE Property Summary: PF041 Expenses: <u>Reference</u> Operating Costs <i>Roads & Loc</i>	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck Total Property: (F Description setion	2er Costs 0.32000000 0.10000000 PF042) Palm	etto Point Frio-42 Deck/AFE	90.00 18.75 0.32000000 0.10000000 Expen 27 81 County: WILKINS Invoice Amt	108.75 852.40 852.40 852.40 1525 2.77 5.23 358.0 SON, MS Total	312.33 45.67 358.00 272.77 85.23 You Owe 272.77 85.23 00 Your Share
43417 103 by Deck/AFE Property Summary: PF041 Expenses: Reference Operating Costs Roads & Loc 434165	2 Daniel Vines Do Total Operating Deficit Deck Total Total Property: (P Description ation Buddy Ashley	2er Costs 0.32000000 0.10000000 PF042) Palm	etto Point Frio-42 Deck/AFE DEFICI	90.00 18.75 0.32000000 0.10000000 Expen 27 88 County: WILKIN Invoice Amt	108.75 852.40 852.40 852.40 1525 2.77 5.23 358.0 SON, MS Total 112.50	312.33 45.67 358.00 272.77 85.23 <u>You Owe</u> 272.77 85.23 00 Your Share 47.25
43417 103 by Deck/AFE Property Summary: PF041 Expenses: Reference Roads & Loc 434165	2 Daniel Vines Do Total Operating Deficit Deck Deficit Deck Total Total Property: (F Description s ation Buddy Ashley Total Operating	2er Costs 0.32000000 0.1000000 PF042) Palm Costs	etto Point Frio-42 Deck/AFE DEFICI	90.00 18.75 0.32000000 0.10000000 Expen 27: 8! County: WILKIN: Invoice Amt 112.50	108.75 852.40 852.40 852.40 1525 2.77 5.23 358.0 SON, MS Total 112.50 112.50	312.33 45.67 358.00 272.77 85.23 <u>You Own</u> 272.77 85.23 00 Your Share <u>47.25</u> 47.25
43417 103 by Deck/AFE property Summary: PF041 xpenses: <u>Reference</u> Operating Costs <i>Roads & Loc</i> 434165 Billing Summary 1	2 Daniel Vines Do Total Operating Deficit Deck Total Total Property: (P Description sation Buddy Ashley Total Operating Deficit Deck	2er Costs 0.32000000 0.10000000 PF042) Palm Costs	etto Point Frio-42 Deck/AFE DEFICI DEFICI	90.00 18.75 0.32000000 0.10000000 Expen 277 85 County: WILKINS Invoice Amt 112.50 0.32000000	108.75 852.40 852.40 852.40 152.3 358.0 SON, MS Total 112.50 112.50 112.50	312.33 45.67 358.00 272.77 85.23 <u>You Own</u> 272.77 85.23 00 <u>Your Share</u> 47.25 36.00
43417 103 Billing Summary by Deck/AFE Property Summary: PF041 Expenses: Reference Operating Costs Roads & Loo 434165 Billing Summary I by Deck/AFE	2 Daniel Vines Do Total Operating Deficit Deck Total Total Property: (P 2 Description 3 ation 6 Buddy Ashley Total Operating Deficit Deck Deficit Deck Deficit Deck Deficit Deck Deficit Deck	2er Costs 0.32000000 0.10000000 PF042) Palm Costs	etto Point Frio-42 Deck/AFE DEFICI DEFICI DEFICI	90.00 18.75 0.32000000 0.10000000 Expen 27: 8: County: WILKIN: Invoice Amt 112.50 0.32000000 0.10000000	108.75 852.40 852.40 852.40 108.75 852.40 152.3 358.0 SON, MS Total 112.50 112.50 112.50 112.50	312.33 45.67 358.00 272.77 85.23 You Owe 272.77 85.23 You Share 47.25 47.25 36.00 11.25
43417 103 Billing Summary by Deck/AFE Property Summary: PF041 Expenses: Reference Operating Costs Roads & Loc 434165 Billing Summary I by Deck/AFE	2 Daniel Vines Do Total Operating Deficit Deck Total Property: (P Description sation Buddy Ashley Total Operating Deficit Deck Deficit Deck	2er Costs <u>Wrk Interest</u> 0.32000000 0.10000000 PF042) Palm Costs	etto Point Frio-42 Deck/AFE DEFICI DEFICI DEFICI	90.00 18.75 0.32000000 0.10000000 Expen 27: 8: County: WILKIN: Invoice Amt 112.50 0.32000000 0.10000000	108.75 852.40 852.40 852.40 108.75 852.40 108.75 358.0 108.75 358.0 112.50 112.50 112.50 112.50 112.50	312.33 45.67 358.00 272.77 85.23 You Owe 272.77 85.23 00 Your Share 47.25 47.25 36.00 11.25
43417 103 Billing Summary by Deck/AFE Property Summary: PF041 Expenses: Reference Operating Costs Roads & Loc 43416 Billing Summary I by Deck/AFE	2 Daniel Vines Do Total Operating Deficit Deck Total Total Property: (P Description s ation Buddy Ashley Total Operating Deficit Deck Deficit Deck Deficit Deck	2er Costs <u>Wrk Interest</u> 0.32000000 0.10000000 PF042) Palm Costs <u>Wrk Interest</u> 0.32000000	etto Point Frio-42 Deck/AFE DEFICI DEFICI DEFICI	90.00 18.75 0.32000000 0.10000000 Expen 27: 83 County: WILKIN: Invoice Amt 112.50 0.32000000 0.10000000 Expen	108.75 852.40 852.40 852.40 852.40 108.75 358.0 SON, MS Total 112.50 112.50 112.50 112.50 112.50	312.33 45.67 358.00 272.77 85.23 You Owe 272.77 85.23 You Share 47.25 47.25 36.00 11.25 You Owe
43417 103 Billing Summary by Deck/AFE Property Summary: PF041 Expenses: Reference Operating Costs Roads & Loc 43416 Billing Summary by Deck/AFE	2 Daniel Vines Do Total Operating Deficit Deck Total Property: (P Description Buddy Ashley Total Operating Deficit Deck Deficit Deck Deficit Deck	Zer Costs <u>Wrk Interest</u> 0.32000000 0.10000000 PF042) Palm Costs <u>Wrk Interest</u> 0.32000000 0.1000000 0.000000	etto Point Frio-42 Deck/AFE DEFICI DEFICI DEFICI	90.00 18.75 0.32000000 0.10000000 Expen 112.50 0.32000000 0.10000000 Expen 36 36	108.75 852.40 852.40 852.40 108.75 852.40 108.75	312.33 45.67 358.00 272.77 85.23 You Owe 272.77 85.23 You Owe 47.25 47.25 36.00 11.25 You Owe 36.00 11.25 You Owe 36.00

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From: G & G Production, LLC To: Lexaria Corporation

Exponence	Property	: (PPF06B) Palme	etto Point Frio-6	B County: ADAM	MS, MS	
References.	ice Description		Deck/AEE	Invoice Amt	Total	Vour Chara
Operating Co	sts		DOOM	invoice Ant	TO(a)	rour share
Roads & L	ocation					
10	32 Daniel Vines D	ozer	DEFIC	18 75	19.75	7.07
Total Operating Costs			DEITO	10.15	18 75	7.87
Billing Summary	Defict Deck		DEFIC	0.32000000	18.75	6.00
by Deck/AFE	Defict Deck		DEFIC	0.1000000	18.75	1.87
Property Summary: Wrk Interest PPF06B 0.32000000		Wrk Interest 0.32000000		Expenses 6.00		You Ow 6.00
	Total	0.1000000			7.1	1.87
	Property: (I	PPF118) Palmetto	Point Frio-118	County: WILKIN	SON, MS	
Expenses:						
Referen	ce Description		Deck/AFE	Invoice Amt	Total	Your Share
Operating Cos	sts					
Roads & Lo	ocation					
4341	75 Buddy Ashley			37.50	37.50	18.75
	Total Operating	Costs			37.50	18.75
Property Summary: PPF118	erty Summary: <u>Wrk Interest</u> 18 0.50000000			Expension 18	You Ow 18.75	
Expenses: Referen	Property:	(PPF52A) Palmet	to Point Frio-52	2A County: ADAM	NS, MS Total	Your Share
Operating Cos	ts			interes / inte	Total	Tour onare
Roads & Lo	ocation					
103	32 Daniel Vines Do	ozer	DEFIC	18 75	18 75	7 87
Total Operating Costs			TATELO CO	19119	18.75	7.87
Billing Summary	Deficit Deck		DEFIC	0.32000000	18.75	6.00
by Deck/AFE	Deficit Deck		DEFIC	0.10000000	18.75	1.87
Property Summary: PPF52A		Wrk Interest 0.32000000 0.10000000		Expens 6	00 87	You Own 6.00
Total				7.87		

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Owner AFE Election

Owner: Lexaria Corporation

AFE: # 222

AFE Total: <u>\$568,478</u> Owners Prorated Share: <u>\$181,912.96</u> Date: November 12, 2010

Project: PPF # 12-6

DESCRIPTION OF OPERATION: See Attached

Please indicate your election below:

abast.

________ I/we due herein elect to participate in the abovementioned project and agree to advance my/our prorated portion of the of the Authorization For Expenditure (AFE). I/we understand this AFE to be an estimate of the cost of the project and the actual amount of my/our ultimate prorated expenditures may vary.

Charl

_ doad_____ I/we due herein elect to participate in my/our prorated portion of any non-consenting interest in this Project.

_____ I/we due herein elect not to participate in the abovementioned project and understand that I/we will be subject to the Penalty as described in Section___of the Joint Operating Agreement.

Charl

Lexaria Corporation

_November 15, 2010_____ Date

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Owner AFE Election

Owner: Lexaria Corporation

AFE: # 233

AFE Total: <u>\$568,478</u> Owners Prorated Share: <u>\$181,912.96</u> Date: November 12, 2010

Project: PPF # 12-7

DESCRIPTION OF OPERATION: See Attached

Please indicate your election below:

az

______ I/we due herein elect to participate in my/our prorated portion of any non-consenting interest in this Project.

_____ I/we due herein elect not to participate in the abovementioned project and understand that I/we will be subject to the Penalty as described in Section__of the Joint Operating Agreement.

Lexaria Corporation

__November 15, 2010____ Date

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Note: SWD well went on-line in May of 2011 therefore a more indicative LOE for the F-12 wells will be an average beginning in May, 2011

		Gross Lease Operating Expense				
Production	Billing Date	PP F12	PP F12_3	PP F12-4	PP F12-5	
Nov-10	11/30/2010	\$20 882 76	\$20,882,71	\$33,215,25	11 112-5	
Dec-10	12/31/2010	\$19,546.20	\$19,546.21	\$30,322.13		
Jan-11	1/31/2011	\$22,174.30	\$23,134.13	\$35,722.29		
Feb-11	2/28/2011	\$19,369.45	\$13,421.88	\$37,423.29		
Mar-11	3/31/2011	\$28,150.10	\$25,530.17	\$28,256.27		
Apr-11	4/30/2011	\$15,062.82	\$15,062.82	\$22,596.04	\$19,770.99	
May-11	5/31/2011	\$9,187.40	\$9,187.40	\$9,471.66	\$9,471.65	
Jun-11	6/30/2011	\$12,858.68	\$13,652.38	\$12,376.22	\$13,376.23	
Jul-11	7/31/2011	\$13,054.48	\$11,343.44	\$12,157.34	\$12,157.36	
Aug-11	8/31/2011	\$9,079.62	\$29,582.31	\$9,286.16	\$8,863.94	
Average		\$11,045.05	\$15,941.38	\$10,822.85	\$10,967.30	
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MICHAEL J. VEAZEY 5539 Coldwater Creek Baton Rouge, La. 70808

PERSONAL DATA

Born June, 1944: Married, two children

EDUCATION

B.S. in Petroleum Engineering, LSU, 1966
Elected to Tau Beta Pi (Honorary Engineering Society)
Elected to Pi Epsilon Tau (Honorary Petroleum Engineering Society)
M.S. in Petroleum Engineering, LSU, 1968
Elected to Phi Kappa Phi (National Honorary Society)

PROFESSIONAL SOCIETIES AND ACTIVITIES

Registered Professional Engineer in Louisiana (Petroleum) since 1972 Registered Professional Engineer in Louisiana (Environmental) since 1994 Member of Society of Petroleum Engineers of AIME since 1964 Member of Society of Petroleum Evaluation Engineers American Association of Drilling Engineers (Steering Com.) Faculty Advisor to Student Section of SPE (1978 - 1983) Mineral Consultant to LSU Board of Supervisors (1980 - 1983) Phi Kappa Phi honor society Tau Beta Pi honor society Pi Epsilon Tau honor society

EXPERIENCE

1983-PRESENT

D-O-R Engineering, Inc. In May 2009, Mr. Veazey acquired an equity position in the established consulting firm, D-O-R Engineering. Mr. Veazey is the President and Chief Executive Officer of the Company. D-O-R is a full service petroleum consulting engineering firm that will complement the firm of Veazey and Associates, LLC.

VEAZEY AND ASSOCIATES, LLC - an oil and gas consulting firm located in Baton Rouge, Louisiana

Mr. Veazey has been the President of Veazey and Associates, LLC (Formerly Veazey & Associates, Inc and MJV, Inc.) since 1978. He has served as an Instructor in the LSU/IADC Well Control School, and he has recently assisted the LSU Department of Petroleum Engineering as an Adjunct Professor of the faculty of the LSU Petroleum Engineering Department.

Mr. Veazey serves as the primary engineering analyst responsible for the estimation of oil and gas reserve volumes for a number of oil and gas companies. In addition to his role as an estimator of oil and gas reserves, he has provided the primary engineering work upon which many oil and gas reserve acquisitions have been based. He has also performed many Estate Appraisals.

Since 1980, Mr. Veazey has assisted the Vermilion Parish School Board with the management of minerals associated with the 22,000 + acres of State Land held in trust for that School Board, and Mr. Veazey has assisted The Terrebonne Parish School Board since 1986 with similar services for the 22,000+ acres of State Land held in trust for that School Board. In 2004, Veazey & Associates, Inc. was selected by the Lafourche Parish School Board to assist in the management of the 9,000+ acres of School Board Section 16 minerals.

Mr. Veazey has provided Expert Testimony and given sworn depositions in both Federal and State Court. He has qualified as an expert in the field of Petroleum Engineering, Petroleum Reservoir Engineering and Oil Field Operations. He has also testified before the Louisiana Office of Conservation in numerous Unitization hearings.

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2003-2007

LOUISIANA STATE UNIVERSITY - Adjunct Professor of Petroleum Engineering at LSU

Mr. Veazey taught undergraduate courses in phase behavior and production equipment design.

1978-1983

LOUISIANA STATE UNIVERSITY - Assistant Professor of Petroleum Engineering at LSU.

Mr. Veazey taught undergraduate courses in petroleum economics, drilling, petrophysics, unitization, and phase behavior. During his tenure, he was the Director of LSU/IADC Well Control School from 1980 through 1983. He was also the Mineral Consultant to the LSU Board of Supervisors from 1980 through 1983.

1974-1978

SAMSON RESOURCE COMPANY - A publicly traded, independent oil and gas company specializing in production acquisitions and development drilling, located in Tulsa, Oklahoma.

Mr. Veazey was the Senior Petroleum Engineer responsible for all drilling, production and acquisitions. During the period in which he served as the companies' chief engineering evaluator, Samson was recognized as one of the nation's most successful and fastest growing independent oil and gas companies. During employment with Samson, Mr. Veazey co-author three technical papers, one of which related to the development of a Monte Carlo Simulation model for a programmable calculator, allowing the general engineering population to access and utilize this powerful statistical tool for oil and gas acquisition and development activities in a manner which had previously been reserved for only those with access to powerful main frame computers.

1972-1974

PLACID OIL COMPANY - An international oil and gas company headquartered in Dallas, Texas.

Mr. Veazey served as a Staff Petroleum Engineer responsible for oil and gas reserve calculations and development drilling programs which concentrated on large offshore Louisiana oil and gas fields. He was also responsible for representing Placid at numerous technical committee meetings with joint venture partners. Mr. Veazey also performed reservoir engineering and statistical evaluations of major undeveloped tracts of land for the purpose of participation in competitive lease sales. As a result of these efforts, the company invested \$180MM and was rewarded with the discovery of the South Marsh Island 268 Field. He also worked with other engineers to continually evaluate the companies' producing oil and gas fields. These activities were concentrated in the gulf coast area of Louisiana, but also extended to other geographic areas such as Alabama, Mississippi, the Florida Gulf Coast and the North Sea.

1968-1972

CHEVRON -

Mr. Veazey worked as a Reservoir Engineer and Drilling Engineer in the New Orleans office. He worked on secondary recovery projects and prepared reserve calculations for large oil and gas fields in south Louisiana and offshore Louisiana. He also worked as a field drilling engineer on offshore and inland water rigs for two years.

Summers

1967 Drilling Engineer, Chevron Oil Co.1966 Reservoir Engineer, Chevron Oil Co.1965 Lease Pumper, Gulf Oil Co.1964 Roustabout, Pan American Petroleum Corp. (Amoco).

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SELECTED PUBLICATIONS

- Veazey, M.J. and Carlton, A.: RECORD OKLAHOMA WELL DRILLED THROUGH TROUBLESOME ATOKA SHALE, Oil and Gas Journal, August 23, 1976.
- 2. Veazey, M.J. and Carlton, A.: NEW LOGGING APPROACH TO OLD WELLS, Petroleum Engineer, July, 1976.
- 3. Veazey, M.J. and Smith, P.: SIMPLE EQUATION, CALCULATOR SPEED LEASE EVALUATION, Oil and Gas Journal, May 22, 1978.
- 4. Veazey, M.J. and Bassiouni, Z.: THE EVALUATION OF WATER CYCLING AS A TECHNIQUE FOR RECOVERING THE DISSOLVED GAS IN A GEOPRESSURED AQUIFER, LSU Dept. of Petroleum Engineering Report to DOE, August, 1978.
- 5. Veazey, M.J., Hawkins, M.F., et. al.: METHODS FOR DETERMINING VENTED VOLUMES DURING GAS WELL BLOWOUTS, DOE Publication, October, 1980.
- 6. Veazey, M.J., Hawkins, M.F., et. al.: METHODS FOR DETERMINING VENTED VOLUMES DURING GAS-CONDENSATE BLOWOUTS, DOE Publication, November, 1981.
- 7. Veazey, M.J., Alexander, W.H., and Corty, F.L.: OIL AND GAS LEASING: A MYSTERY IN LOUISIANA, Louisiana Rural Economist, Vol. 44 No. 4, November, 1982.

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Experience

D-O-R Engineering, Inc. 5/09 to Present

Part Owner/Secretary/Engineering Manager

Offers a diverse range of consulting petroleum engineering and management services to major and independent oil companies, financial institutions, legal firms investment companies, private estates and land and mineral owners along the Gulf Coast. While the firm offers general consulting services in the areas of petroleum engineering and property management, it has particular expertise in the areas of: 1) expert witness; and 2) reserve determination for the purpose of oil and gas property sale and/or acquisition, investment in oil and gas properties; and appraisals for year-end-reports, S. E. C. filings, Canadian filings, FDIC reports, bank loans and estate successions. D-O-R Engineering, Inc. was established in 1971.

Veazey & Associates, LLC 8/01 to Present

Part Owner/Senior Petroleum Engineer

Provide services related to reservoir engineering including fair market value appraisals and various aspects of mineral management. Knowledgeable in calculation of reserves by a multitude of methods and implementing economic software (PHD Win) to relate a present value forecast for said reserves so the client can make informed budget decisions regarding financing, investments, private acquisitions or acquisition by state imminent domain. Manage minerals of over 50,000 acres for public lands. This includes all aspects of permitting, leasing, scouting oil and gas activity, as well as providing a complete inventory of past and present surface and mineral activity. Accounting of surface activity includes multiple site visits to properties. Conducted regulatory filings and plugging operations for operator terminating business in state. Also located and negotiated a suitable new company to take over operations and relieve client from all plugging and environmental responsibility. Capable of extensive due diligence research at the Office of Conservation and permitting as related to that Office, as well as interfacing with Office of Conservation staff regarding regulatory compliance issues and other special situations involving this state agency. Knowledge of and experience with ArcView GIS software.

Department of Natural Resources/Inspection & Enforcement Section 4/98 to 8/01

Advanced Petroleum Engineer

Manage complaints from land owners or concerned citizens regarding oil and gas operations in the vicinity of their property. Further, if any violations are discovered, initiate corrective action and keep complainant informed of all actions taken by this Office. Review passive closure data for oil field pits to ensure conformance with the applicable State rules and regulations. Responsible for monitoring inactive oil and gas wells in the state to ensure that the sites, which are deemed as having no future utility, are plugged and abandoned in accordance with the requirements of Statewide Order No. 29-B. This involves requesting and evaluating engineering and geological data provided by operators of inactive wells to justify the classification of the well(s) as having future utility. Review Lease Facility Inspection, Production Pit Inspection, Reserve Pit Inspection and Narrative Reports submitted by field agents for the Office of Conservation and take necessary action. Accompany agents on field inspections activities; such as unitization hearings or meetings with industry representatives. Produce quad and satellite maps from Arc View, a GIS software, to aid with site visits in the field or identification of environmentally sensitive areas.

Department of Natural Resources/Orphan Well Section 9/96 to 4/98 Petroleum Engineer

Review and audit records in order to prepare bid packages for orphan well projects. Prepare restoration procedures for orphaned sites including down-hole plugging procedures, pit closure and facility removal. Obtain soil analyses on all oil field pits or tank bottoms associated with the orphaned site. Oversee site visits for plugging and restoration contractors so bids can be prepared. Prepare data relative to Act 404 (Oilfield Site Restoration Law) for dissemination to the respective legislative oversight committees, the Oilfield Site Restoration Commission, the Secretary of the Department of Natural Resources, and the Assistant Secretary. Assist in establishment of Site Specific Trust Accounts. Develop and implement appropriate procedures to determine that oil field sites which are not closed or maintained in accordance with provisions of Statewide Order No. 29-B are orphaned. Manage applications for approved contractors applying for work under Oilfield Site Restoration. Organize with Louisiana Oil Spill Coordinator's Office in order to expend funds from the Oil Spill Contingency Fund in the event of an emergency.



Veazey & Associates, Inc. 9/95 to 9/96

Petroleum Engineer

Perform reserve forecasts for annual reports and estate appraisals. Mineral management of two state agencies (total of 40,000 + acres under management). Assist in preparation of unitization hearings for industry and land owner clients.

Union Oil Company of California 5/94 to 8/94

Summer Intern

Design well workovers and write AFEs, involved in decision making of workover and recompletion procedures in the office and in the field. Assist Senior Production Engineer with daily field activity.

Veazey & Associates, Inc. 5/91 to 5/94

Technical Assistant

Extensive research collection at Department of Natural Resources. Plotting of decline curves, planimetering isopach maps for volumetric reserve calculations. Maintenance of company well history and engineering files. Office management and company finance management.

L. S. U. Petroleum Engineering Department 9/89 to 5/95

Student Worker

Responsible for maintenance of laboratories, maintenance of supplies and general office work.

Conoco, Inc. 6/88 to 8/88

Summer Intern

Observed secondary and tertiary recovery methods and performed lease maintenance work in the field.

Professional Organizations

Society of Petroleum Evaluation Engineers Society of Petroleum Engineers

Certifications and Short Courses

Mineral Law Institute, 2001 thru 2007 Registered Professional Engineer License, 2001 NORM Surveying and Control Certification, 1998 Soil Remediation for Petroleum Extraction Industry, 1997 and 1998 Mineral Management Service Well Control and Under Balanced Drilling, 1997 and 1998 Introduction to Arc View GIS, 1998 Engineer-In-Training (EIT) Certification, 1995

Education

Louisiana State University - 1995 Graduate in Petroleum Engineering Louisiana State University - 1991 Graduate in General Studies with a business emphasis Catholic High School, Baton Rouge - 1986 Graduate

Personal

Married with two children

References

Available Upon Request

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FOR US DISTRIBUTION ONLY

January 19, 2012

Trading Symbol: LXRP-OTCQB

Lexaria Reports 29% Annual Increase in Proved Oil Reserves

(Kelowna, BC: January 19, 2012) - Lexaria Corp. (the "Company" or "Lexaria") announces, for the second consecutive year, a significant increase in proved oil reserves at the Belmont Lake oil field located in Mississippi. Compared to one year earlier, Lexaria achieved:

.....Proved barrels of oil increased by 34,620, or 29%

.....Undiscounted future net cash flows increased by \$4,184,777 or 58%

.....Discounted (10%) future net cash flows increased by \$1,689,379 or 26%

"For the second year in a row we are reporting a substantial increase in our proved oil reserve base," said Chris Bunka, President. "We are pleased to continue adding value for our shareholders through this increase in oil reserves and we will attempt to multiply these increases in 2012 and beyond."

These Proved reserves do not include any valuation for the Company's 130,000 acre land base; for any Probable reserves; for any Possible reserves; nor for any other Company assets outside of the Proved oil reserves located at Belmont Lake, Mississippi. Lexaria has filed a Form 8K with the Securities and Exchange Commission detailing the increased proved reserves.

The Company transitioned in 2009 from a mix of 21% natural gas and 79% oil then, to 100% oil in 2010 and 2011. This shift in strategy allowed the Company to enjoy stronger cash flows as a result of the high oil prices as compared to lower natural gas prices. The highlights of the proved oil reserves as of October 31, 2010, are as follows:

	2011 Oct 31	2010 Oct 31
Proved OIL Barrels	155,790	121,170
Cash Flow Undiscounted	\$11,460,477	\$7,275,700
Cash Flow Discounted @ 10%	\$8,071,571	\$6,382,192

Lexaria will continue to strategically position itself to maximize cash flows from operations and build shareholder value.

About Lexaria:

To learn more about Lexaria Corp. visit www.lexariaenergy.com.

ON BEHALF OF THE BOARD "Chris Bunka" Mr. Chris Bunka, Chairman

FOR FURTHER INFORMATION PLEASE CONTACT: Lexaria Corp. Chris Bunka CEO/President (250) 765 6424

FORWARD-LOOKING STATEMENTS

This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements which are not historical facts are forward-looking statements. The Company makes forward-looking public statements concerning its expected future financial position, results of operations, cash flows, financing plans, business strategy, products and services, competitive positions, growth opportunities, plans and objectives of management for future operations, including statements that include words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will," and other similar expressions are forward-looking statements. Such forward-looking statements are estimates reflecting the Company's best judgment based upon current information and involve a number of risks and uncertainties, and there can be no assurance that other factors will not affect the accuracy of such forwardlooking statements. It is impossible to identify all such factors but they include and are not limited to the existence of underground deposits of commercial quantities of oil and gas; cessation or delays in exploration because of mechanical, weather, operating, financial or other problems; capital expenditures that are higher than anticipated; or exploration opportunities being fewer than currently anticipated. There can be no assurance that road or site conditions will be favourable for field work; no assurance that well treatments will have any effect on oil or gas production; no assurance that oil field interconnections will have any measurable impact on oil or gas production or on field operations, and no assurance that the expected new well(s) will be drilled or have any impact on the Company. There can be no assurance that expected oil and gas production will actually materialize; and thus no assurance that expected revenue will actually occur. There is no assurance the Company will have sufficient funds to drill additional wells. or to complete acquisitions or other business transactions. There is no assurance that any future exploration will take place and no assurance that there are any likely locations for Belmont Lake "look-alike" fields. Such forward looking statements also include estimated cash flows, revenue and current and/or future rates of production of oil and natural gas, which can and will fluctuate for a variety of reasons; oil and gas reserve quantities produced by third parties; and intentions to participate in future exploration drilling. Adverse weather conditions can delay operations, impact production, and cause reductions in revenue. The Company may not have sufficient expertise to thoroughly exploit its oil and gas properties. The Company may not have sufficient funding to thoroughly explore, drill or develop its properties. Access to capital, or lack thereof, is a major risk. Current oil and gas production rates may not be sustainable and targeted production rates may not occur. Factors which could cause actual results to differ materially from those estimated by the Company include, but are not limited to, government regulation, managing and maintaining growth, the effect of adverse publicity, litigation, competition and other factors which may be identified from time to time in the Company's public announcements and filings. There is no assurance that the Company will build additional oil reserves.

The CNSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

Exhibit 99.2



Petroleum Consultants

6161 Perkins Road, Ste. 2C Baton Rouge, La. 70808

Phone (225) 765-1914 FAX: (225) 765-1917

January 17, 2012

Lexaria Corporation Attn: Mr. Chris Bunka, President Suite 950 – 1130 West Pender Street Vancouver, BC V6E 4A4

Re: Consent of authors to use report by Veazey and Associates, LLC Dated December 12, 2011 and effective October 31, 2011

Dear Mr. Bunka,

The undersigned, Jim Veazey, has prepared on behalf of Veazey and Associates, LLC a Report of Reserves Data and an Estimate of Future Reserves and Revenues of Lexaria Corporation effective October 31, 2011 and prepared on December 12, 2011 (the "Report"), to be filed at EDGAR to meet US SEC disclosure requirements of Lexaria Corporation.

The undersigned hereby consents to the use of the Report in the Company's Edgar filing dated January 19, 2012 (the "filing"). The undersigned also consents to the use of their name and reference under the heading "Interest of Experts" in the filing.

Dated at Baton Rouge, Louisiana, U. S. A. this 17th day of January, 2012

Jim Veazev, P. E.

Louisiana License PE.29335