



January 15, 2010

PetroLatina Energy PLC
Calle 127 a # 16^a 76
Oficina 503
Bogota, Colombia

Gentlemen:

At your request, we have prepared an estimate of the reserves, future production, and income attributable to certain interests of PetroLatina Energy PLC (PetroLatina) as of November 30, 2009. PetroLatina's international properties are located in Colombia, South America and include the Colon, Doña María, Los Angeles, Serafin, and Santa Lucia concessions, all operated by Petroleos Del Norte. The income data were estimated using unescalated future price and cost parameters.

The estimated reserves and future income amounts presented in this report are related to hydrocarbon prices. As a result of both economic and political forces, there is significant uncertainty regarding the forecasting of future hydrocarbon prices. The recoverable reserves and the income attributable thereto have a direct relationship to the hydrocarbon prices actually received; however, actual future prices may vary significantly from these estimated prices. Therefore, volumes of reserves actually recovered and amounts of income actually received may differ significantly from the estimated quantities presented in this report. The results of this study are summarized below.

UNESCALATED PARAMETERS
Estimated Net Reserves and Income Data
Attributable to Certain Interests of
PetroLatina Energy PLC
As of November 30, 2009

	Proved			Total Proved
	Developed Producing	Developed Non-Producing	Undeveloped	
<u>Net Remaining Reserves</u>				
Oil/Condensate – Barrels	1,037,679	310,354	2,010,575	3,358,608
Gas – MCF	0	0	1,152,546	1,152,546
<u>Income Data</u>				
Future Gross Revenue \$M	\$64,217	\$18,382	\$124,948	\$207,547
Deductions \$M	18,551	3,844	62,615	85,010
Future Net Income (FNI) \$M	\$45,666	\$14,538	\$ 62,333	\$122,537
Discounted FNI @ 10% \$M	\$34,157	\$ 9,151	\$ 27,659	\$ 70,967

	Probable		
	Developed Non-Producing	Undeveloped	Total Probable
<u>Net Remaining Reserves</u>			
Oil/Condensate – Barrels	69,727	2,467,188	2,536,915
<u>Income Data</u>			
Future Gross Revenue \$M	\$4,130	\$157,239	\$161,369
Deductions \$M	<u>1,495</u>	<u>60,543</u>	<u>62,038</u>
Future Net Income (FNI) \$M	\$2,635	\$ 96,696	\$ 99,331
Discounted FNI @ 10% \$M	\$1,582	\$ 67,698	\$ 69,280

	Total Possible Undeveloped
<u>Net Remaining Reserves</u>	
Oil/Condensate – Barrels	5,316,224
<u>Income Data</u>	
Future Gross Revenue \$M	\$338,227
Deductions \$M	<u>160,355</u>
Future Net Income (FNI) \$M	\$177,872
Discounted FNI @ 10% \$M	\$106,674

Liquid hydrocarbons are expressed in standard 42 gallon barrels. All gas volumes are sales gas expressed in thousand cubic feet (MCF) at a temperature base of 60^o Fahrenheit and a pressure base of 14.7 psia.

The estimates of the reserves, future production, and income attributable to the properties in this report were prepared using the economic software package Aries for Windows, a copyrighted program of Landmark Graphics. Ryder Scott has found this program to be generally acceptable, but notes that certain summaries and calculations may vary due to rounding and may not exactly match the sum of the properties being summarized. Furthermore, one line economic summaries may vary slightly from the more detailed cash flow projections of the same properties, also due to rounding. The rounding differences are not material.

PetroLatina has informed us that there are no production taxes associated with the hydrocarbon production from these properties. The deductions comprise the normal direct costs of operating the wells, recompletion costs, development costs and abandonment costs, when applicable. The future net income is before the deduction of income taxes, remittance taxes, pension expenses, and general administrative overhead, and has not been adjusted for outstanding loans that may exist, nor does it include any adjustment for cash on hand or undistributed income. Oil and condensate reserves account for approximately 98 percent of total future gross revenue from proved reserves, while gas reserves account for the remaining 2 percent.

The discounted future net income shown above was calculated using a discount rate of 10 percent per annum compounded monthly. Future net income was discounted at four other discount rates which were also compounded monthly. These results are shown on each estimated projection of future production and income presented in a later section of this report and in summary form below.

Discount Rate Percent	Discounted Future Net Income (\$M) As of November 30, 2009		
	Total Proved	Total Probable	Total Possible
5	\$91,462	\$81,789	\$135,621
8	\$78,218	\$73,832	\$117,067
12	\$64,718	\$65,213	\$ 97,546
14	\$59,299	\$61,553	\$ 89,477

The results shown above are presented for your information and should not be construed as our estimate of fair market value.

Reserves Included in This Report

The proved reserves included herein conform to the definition as set forth in the Securities and Exchange Commission's Regulation S-X Part 210.4-10 (a) as clarified by subsequent Commission Staff Accounting Bulletins. The SEC reserve definitions used in this report do not reflect the new definitions that take effect on December 31, 2009. The probable reserves and possible reserves included herein conform to definitions of probable reserves approved by the SPE/WPC using the deterministic methodology. The definitions of proved, probable, and possible reserves are included under the tab "Petroleum Reserves Definitions" in this report.

We have included probable and possible reserves and income in this report at the request of PetroLatina. These data are for PetroLatina's information only, and should not be included in reports to the SEC according to the SEC disclosure specifications. The probable reserves are less certain than the proved reserves and possible reserves are less certain than probable reserves. The reserves and income quantities attributable to the different reserve classifications that are included herein have not been adjusted to reflect the varying degrees of risk associated with them and thus are not comparable.

Because of the direct relationship between volumes of proved undeveloped reserves and development plans, we include in the proved undeveloped category only reserves assigned to the undeveloped locations that we have been assured by PetroLatina will definitely be drilled or reactivated.

The various reserve status categories are defined under the tab "Petroleum Reserves Definitions" in this report. The developed non-producing reserves included herein are comprised of the shut-in and behind pipe category.

Estimates of Reserves

In general, the reserves included herein were estimated by the performance, material balance, volumetric, or analogy methods. The reserves estimated by the performance method utilized extrapolations of various historical data in those cases where such data were definitive in our opinion.

Reserves were estimated by the volumetric or the analogy method in those cases where there were inadequate historical performance data to establish a definitive trend or where the use of production performance data as a basis for the reserve estimates was considered to be inappropriate.

The reserve forecasts for the Colon field extend to the economic limit, which occurs prior to contract expiration. The reserves forecasts for the Los Angeles, Santa Lucia and Serafin concessions extend to the economic limit of the fields. These fields do not have a contract expiration date. The Doña María concession expiration date is August 26, 2013. The reserve forecasts for this field extend only to this date.

The reserves included in this report are estimates only and should not be construed as being exact quantities. They may or may not be actually recovered, and if recovered, the revenues therefrom and the actual costs related thereto could be more or less than the estimated amounts. Moreover, estimates of reserves may increase or decrease as a result of future operations.

Future Production Rates

Initial production rates are based on the current producing rates for those wells now on production. Test data and other related information were used to estimate the anticipated initial production rates for those wells or locations that are not currently producing. If no production decline trend has been established, future production rates were based on a type curve derived from analogy to surrounding historical well production. If a decline trend has been established, this trend was used as the basis for estimating future production rates. For reserves not yet on production, sales were estimated to commence at an anticipated date furnished by PetroLatina.

The future production rates from wells now on production may be more or less than estimated because of changes in market demand or allowables set by regulatory bodies. Wells that are not currently producing may start producing earlier or later than anticipated in our estimates of their future production rates.

Hydrocarbon Prices

PetroLatina furnished us with hydrocarbon prices in effect at November 30, 2009 and with their estimates of oil price differentials for each property. The differentials account for Vascoña discount prices, quality adjustments, transportation and transportation tax costs and commercialization costs, where applicable.

In accordance with FASB Statement No. 69, November 30, 2009 market prices were determined using the daily oil price or daily gas sales price ("spot price") adjusted for oilfield or gas gathering hub and wellhead price differences (e.g., grade, transportation, gravity, sulfur and BS&W) as appropriate. Also in accordance with SEC and FASB specifications, changes in market prices subsequent to November 30, 2009 were not considered in this report.

The effects of derivative instruments designated as price hedges of oil and gas quantities are generally not reflected in our individual property evaluations.

Oil and Condensate Prices

The initial net proved oil price for the Colon properties was estimated at \$63.93 per barrel, for the Doña María properties was estimated at \$68.49 per barrel, for the Los Angeles properties producing from the Lisama reservoir was estimated at \$59.23 per barrel, for the Los Angeles-12 well producing from Umir was estimated at \$66.28 per barrel and for the Santa Lucia properties was

estimated at \$63.42 per barrel. These oil prices were held constant throughout the life of the properties.

Gas Prices

The Colon, Doña María, Los Angeles and Santa Lucia concessions have no gas sales. The gas price for the Serafin No. 1 proved undeveloped well was derived from the lowest gas purchase offer made to PetroLatina for \$3.50 per Mcf. It is PetroLatina's assessment that they are able to sell the gas at a higher price. The price of \$3.50 per Mcf was held constant throughout the life of the well.

Costs

Operating costs for the contract areas and wells in this report were furnished by PetroLatina and were accepted without verification. No deduction was made for indirect costs such as general administration and overhead expenses, loan repayments, interest expenses, and exploration and development prepayments that are not charged directly to the fields or wells.

Development costs were furnished to us by PetroLatina and are based on actual costs for similar projects. PetroLatina provided us with their estimates of abandonment costs for the subject properties. Ryder Scott has not performed a detailed study of the abandonment costs nor the salvage value and makes no warranty for PetroLatina's estimates.

Current costs were held constant throughout the life of the properties.

Prospective Resources

Prospective resources were identified based on the potential future exploratory drilling of these properties assuming that concession terms will be renewed beyond the current termination dates. These resources as estimated by PetroLatina were based on analogy or the volumetric method. Table D presents the total prospective resources by area. These volumes have not been subjected to an economic analysis and are for informational purposes only.

The prospective resources were based on PetroLatina's most likely values estimated by the probabilistic method. Ryder Scott's review of PetroLatina's evaluation indicates that these estimates are reasonable; however, we have not evaluated the chance of success (COS) nor are the volumes adjusted for such risk.

The prospective resources shown on Table D do not reflect varying degrees of technical risk associated with quantities of resources assigned to various exploitation activities such as drilling of locations or recompletion of wells that have been deferred as a result of the termination of the concession terms for the various contracts.

General

Table A presents a one line summary of proved reserves and income data for each of the subject properties which are ranked according to their future net income discounted at 10 percent per year. Table B presents a one line summary of gross and net reserves and income data for each of the subject properties. Table C presents a one line summary of initial basic data for each of the subject properties. Tables 1 through 111 included in this report present our estimated projection of future production and income by year beginning December 1, 2009, as summarized by area, field, and well.

While it may reasonably be anticipated that the future prices received for the sale of production and the operating costs and other costs relating to such production may also increase or decrease from those used in this report, such changes were omitted from consideration in making this evaluation.

The estimates of reserves presented herein were based upon a detailed study of the properties in which PetroLatina owns an interest; however, we have not made any field examination of the properties. No consideration was given in this report to potential environmental liabilities that may exist nor were any costs included for potential liability to restore and clean up damages, if any, caused by past operating practices. PetroLatina has informed us that they have furnished us all of the accounts, records, geological and engineering data, and reports and other data required for this investigation. The ownership interests, prices, and other factual data furnished by PetroLatina were accepted without independent verification. The estimates presented in this report, except for oil prices, are based on data available through November 2009.

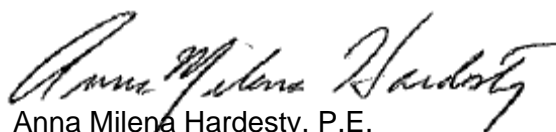
PetroLatina has assured us of their intent and ability to proceed with the development activities included in this report, and that they are not aware of any legal, regulatory or political obstacles that would significantly alter their plans.

Neither we nor any of our employees have 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.

This report was prepared for the exclusive use and sole benefit of PetroLatina Energy PLC and may not be put to other use without our prior written consent for such use. The data, work papers, and maps used in this report are available for examination by authorized parties in our offices. Please contact us if we can be of further service.

Very truly yours,

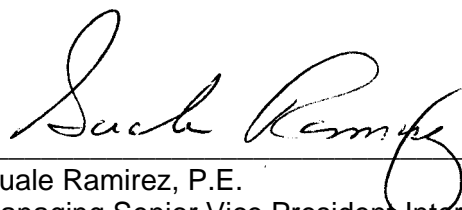
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