



Baron Energy, Inc.

Company Overview

April 7, 2012

www.baronenergy.com



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Introduction

- On February 22, 2010, Baron Energy, Inc. merged with two privately held companies with oil and gas properties and operations in West Texas
- The merger brought with it a seasoned management team, a new board of directors, and a new business strategy to acquire and exploit oil production within a core area of North Central and West Texas
- In December 2010, Baron sold most of its non-operated oil and gas properties in order to focus on operated only properties
- This new strategy is now underway



Company Overview

- HQ in New Braunfels, Texas
- OTC Markets: **BROE.PK**
- Shares outstanding: 65 million; 15 million float
- Current Price (4/5/12): \$0.03/share
- 3 month average volume: 19,195 shares/day
- 52 week range: \$0.02 - \$0.09/share
- Current Market Cap: \$1.9 million
- Total Debt: \$2.7 million
- www.baronenergy.com

A corporate vision and strategy proven during more than 10 years of regional transactions and operating history



- Baron grows its production and revenue by:
 - 1) Acquisition of producing properties with upside
 - 2) Production enhancement: workovers, reactivations, recompletions, and in-fill drilling
- Focused on conventional oil production
- Operate in North Central and West Texas
- Management has over 60-years of industry experience; 30 years in business development; executed more than 80 transactions within the past 11 years; strong operating background; worked together for 19 years
- Management has an established track record of results

Management Averages Over 30 Years of Oil and Gas Experience



- **Ronnie L. Steinocher – Chairman, President and CEO:** More than 33 years of oil and gas experience including 18 years with Conoco Inc. Co-founder and owner/operator of independent oil and gas companies since 2001. Extensive experience in drilling, production, reservoir, and operations engineering, oil and gas investment evaluation, deal structuring, fund sourcing, business development, including major acquisitions both international and domestic, and general management. BS in Civil Engineering, The University of Texas at Austin. Member of the Society of Petroleum Engineers. Licensed professional engineer in Texas.
- **Lisa P. Hamilton – Executive Vice President, Chief Financial Officer and Director:** More than 31 years of oil and gas experience including 20 years with Conoco Inc. Co-founder and owner/operator of independent oil and gas companies since 2001. Career includes finance, accounting, land administration, pipeline, right-of-way, contracts, risk management, business development, international oil and gas, deal structuring, banking, fund sourcing, and general management. BS in Business Administration with Highest Honors, University of Houston - Downtown.



Core Operating Area

- North Central and West Texas
- 55 Counties
- 52,982 square miles
- 34 million acres
- 650,000 BOPD production
- 88,500 producing oil wells
- 36,500 shut-in wells
- Multiple pay zones

Well and production data from Texas Railroad Commission 2010

Operators in core area range from the largest to the smallest



- Many major oil companies continue to operate in West Texas
 - ExxonMobil
 - Chevron
 - ConocoPhillips
- Smallest operator is a sole proprietorship
- 7,618 oil and gas companies operate in Texas

Data from Texas Railroad Commission 2010



Operating Status

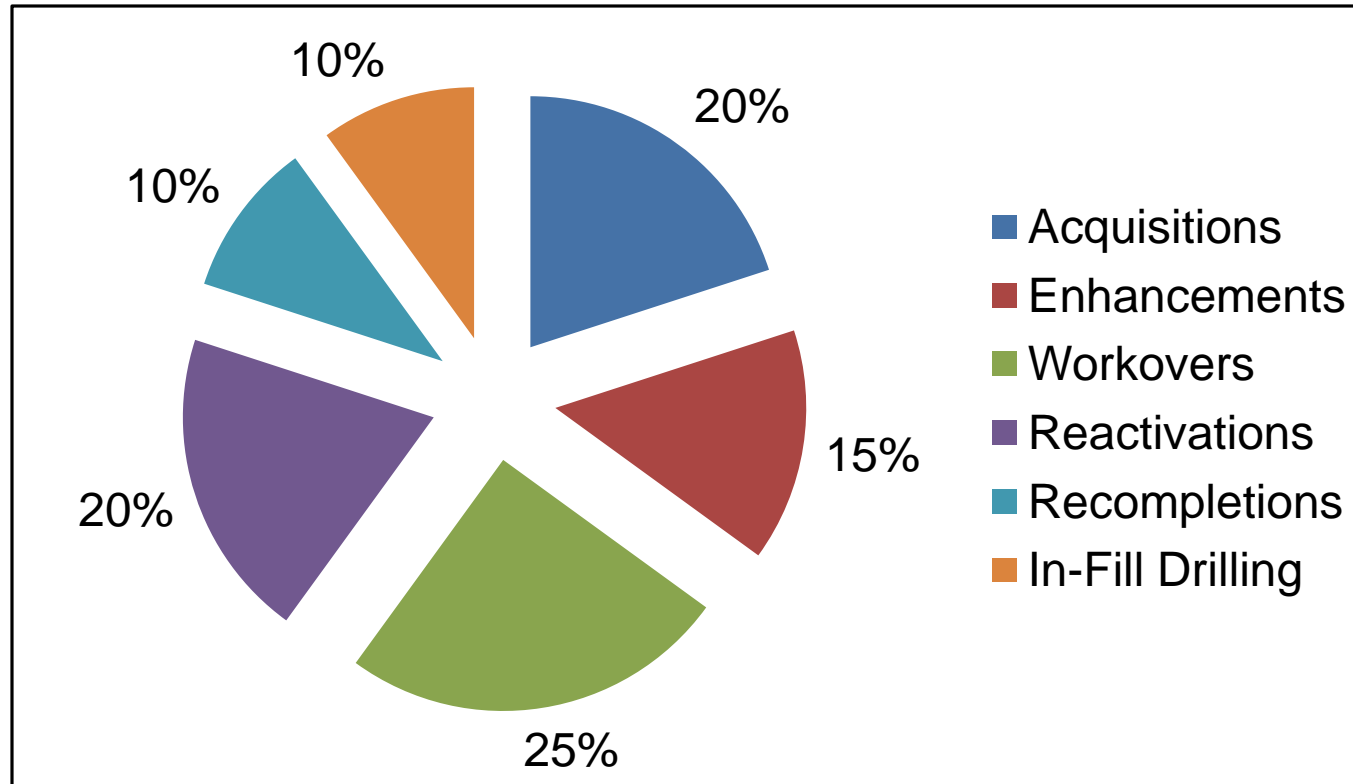
- Annualized revenue of ~\$1 million
- Net production 33 BOPD; gross 70 BOPD
- 100% oil production; 32 producers; 46 SI wells
- 12.5% to 100% WI ownership in leases
- Well depths range from 1,700 to 7,700 feet
- More than 3,500 acres in 9 Texas counties
- Ongoing field programs to increase production
- Continuous acquisitions program
- More than 10 future drilling locations, all with multiple pay zones
- Long-life oil production (> 40 years)

Preferred criteria used to identify acquisition candidates

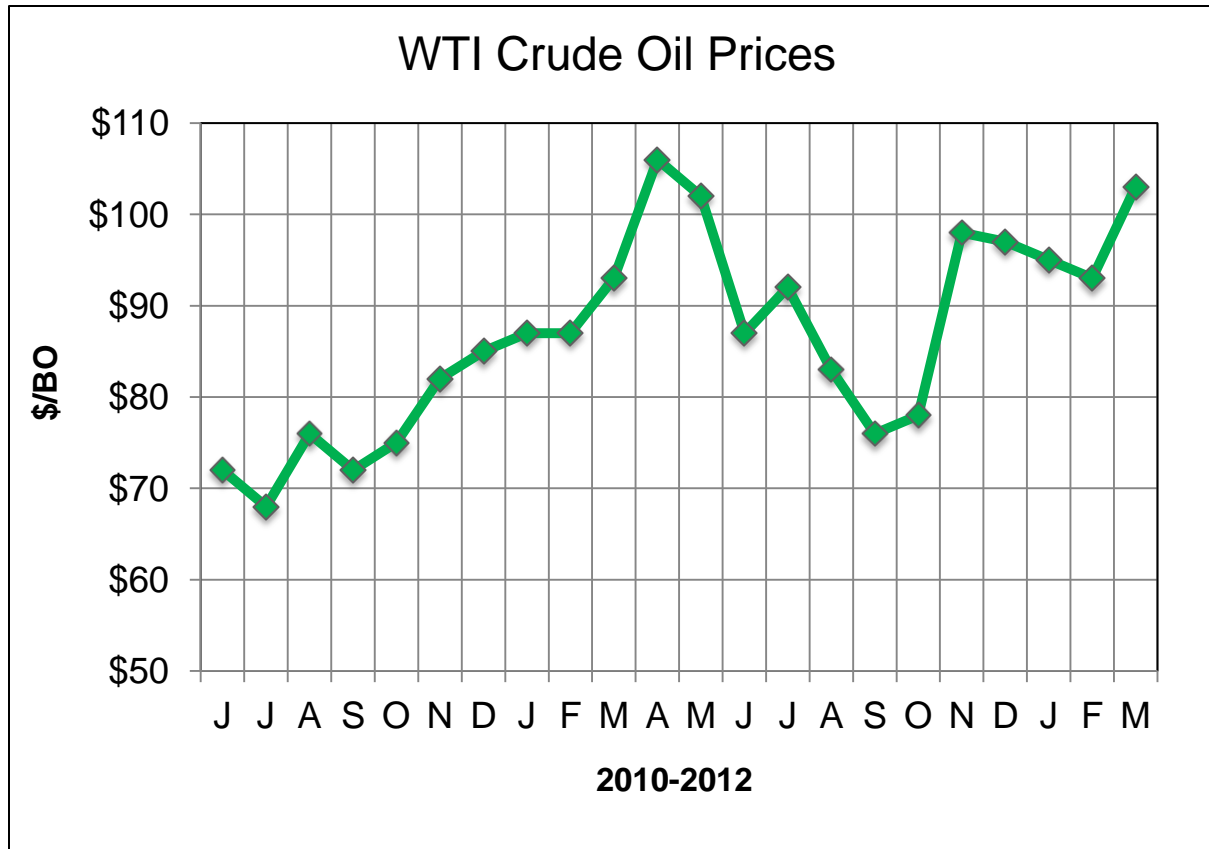


- 1) Located in core area
- 2) Current production
- 3) Operatorship
- 4) Upside via workovers, reactivations, recompletions, in-fill drilling
- 5) Well depths less than 5,000 feet
- 6) Multiple pay zones
- 7) Private negotiation

Production is increased by a balanced mixture of different programs



West Texas Intermediate Crude Oil Prices





Highlights

- Potential for significant per share value increase over the next 12 months
- Understandable business plan driven by a focused strategy
- Veteran management team; worked together for >19 years
- Management's 24% ownership directly aligned with shareholders
- Conventional oil production in the defined core area
- Rolling inventory of at least 5-7 acquisition candidates at all times
- Audited financials pending; soon to be fully SEC compliant

Larger producing properties are also under consideration for acquisition



- Example of the types of larger properties under consideration for acquisition:
 - ✓ Located in Core Area
 - ✓ 20-100 BOEPD gross
 - ✓ 10-70 producing wells
 - ✓ Depths of 1,500 to 5,000 feet
 - ✓ Water disposal available
 - ✓ Upside via workovers, reactivations, recompletions, and in-fill drilling

2Q 2012 TARGETS



- 1) Continue to increase production via workovers and reactivations
- 2) Complete audited financials
- 3) Restructure debt
- 4) Move from Pink Sheets to OTCBB
- 5) Increase market awareness

Examples

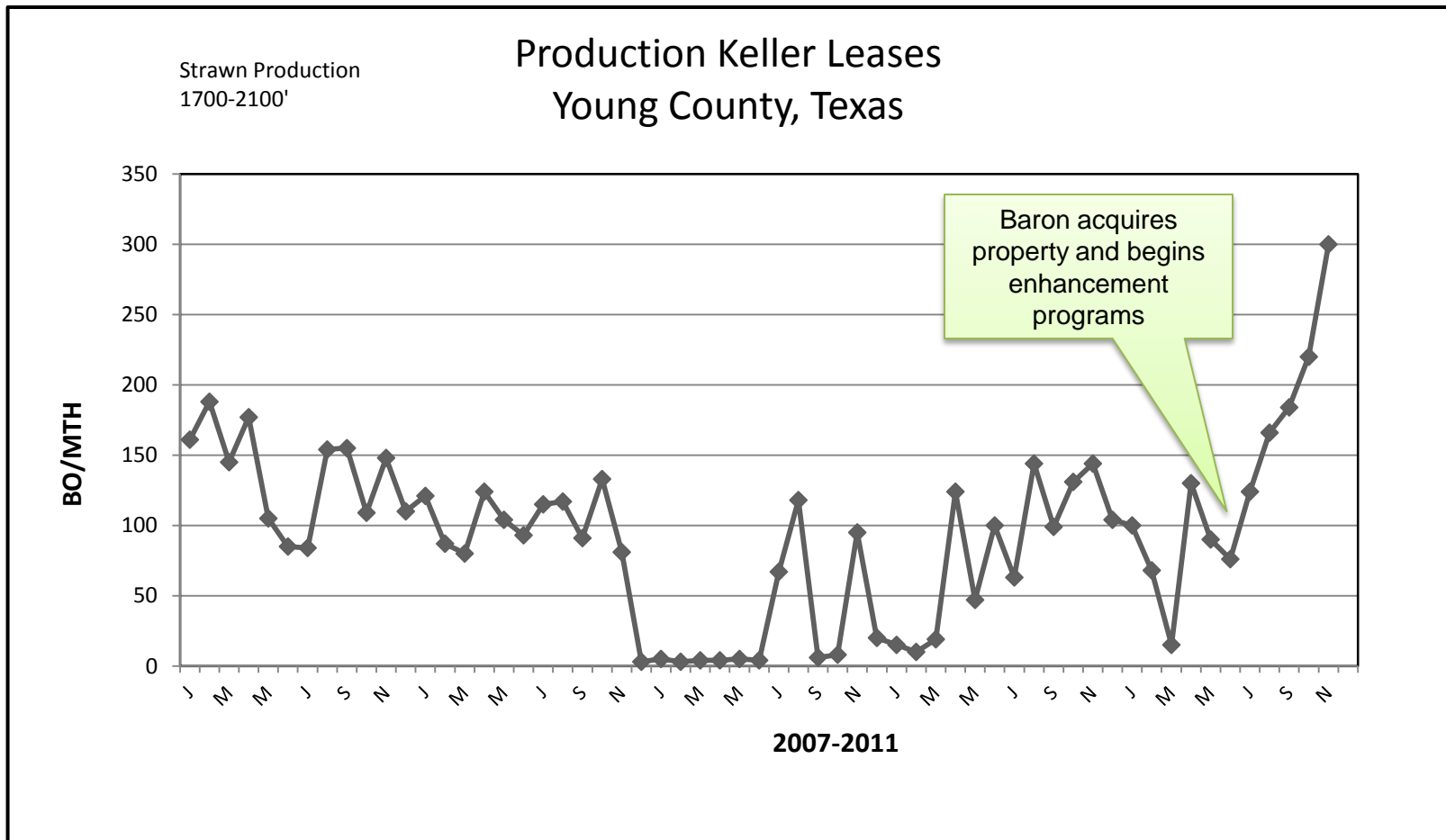
Bolt-on Acquisitions and
Production Enhancement Programs 2011

Bolt-on Acquisitions and Production Enhancement Programs

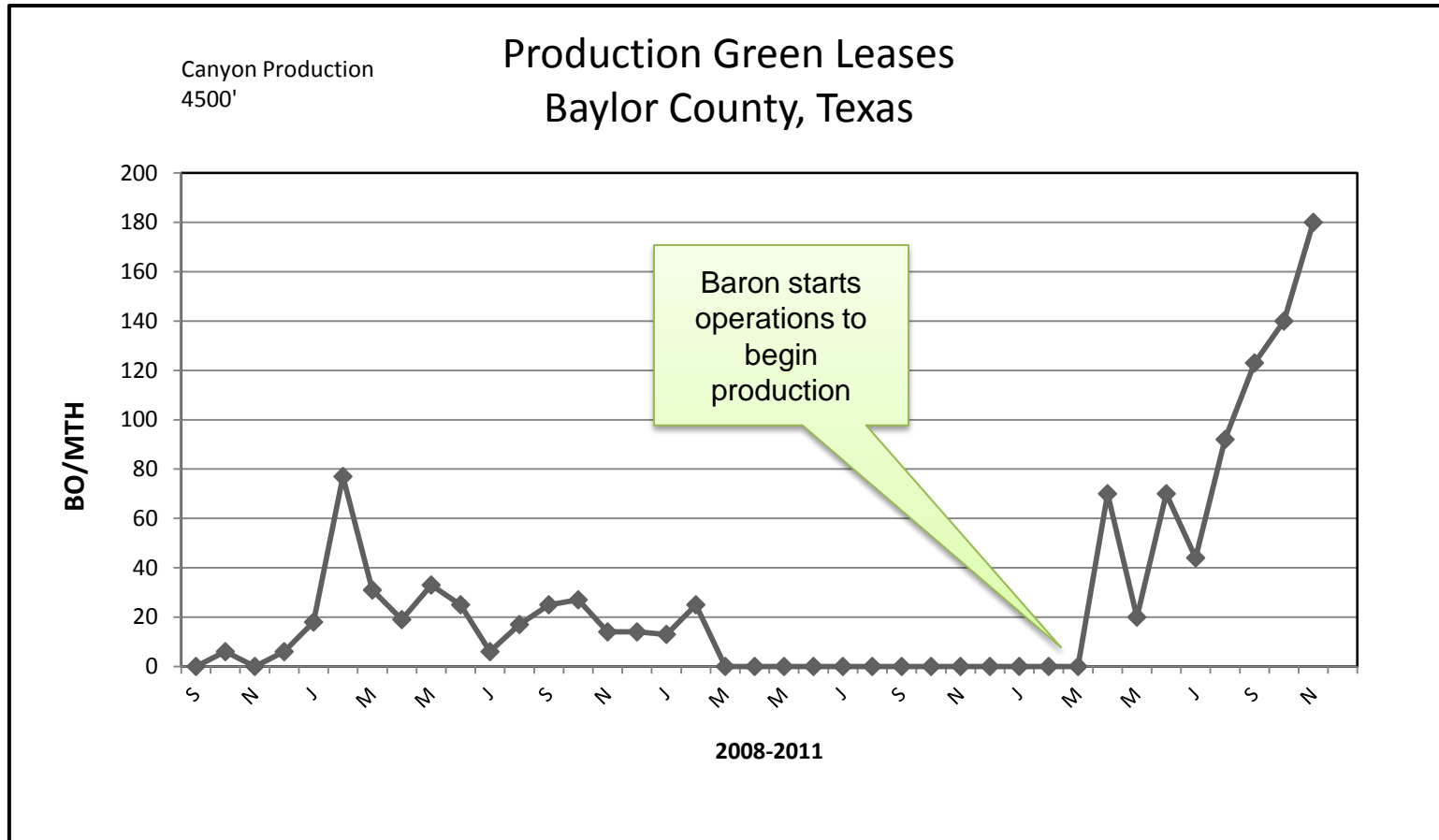


- 1) Baron seeks to acquire bolt-on properties local to its current operations
- 2) The properties should have near-term potential to increase production
- 3) Successful bolt-on acquisitions will lead to other opportunities in the local area

Acquire and Enhance Project



Reactivation Project



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