

Dear Yakov,

Following our conversation, please find hereunder the description of the Oil and Gas Company I have proposed to Renova.

The Company is an independent oil and natural gas development, exploration and production company, active in the United States with a focus on the Rocky Mountains region. It has approximately 70,000 net acres of oil and natural gas leases located in attractive and active set of basins.

The Company is aggressively drilling these days within its acreage. The present output is 11,000 bbl/d and planned to grow to 22,000 bbl/d by mid 2014. The Company is operating on the cutting edge of technology - using horizontal drilling as well as activities in the shale oil rich Baaken Formation.

The Company is privately owned (100%) by a family, headed by an old businessman/geologist. The proposal is to sell either 25% of the Company for US\$ 400 millions with a call option on the rest 75% - or, alternatively, to sell 100% of the Company - for US\$ 1.6 Billion.

The seller prefers to complete the deal within few months (for tax reasons, I believe). But there are, as you all know, several ways to structure a deal in a way that will ease timeline constraints of this sort.

I have explicitly asked the owner of the company whether a Russian privately owned Company is an acceptable buyer, and got a highly forthcoming positive answer.

Dear Yakov,
there is no need for NDA or any other procedures vis a vis the Company. They are ready to host a delegation from Renova in few days early notice and show them in the Data Room or in the field whatever is needed for due diligence and decision.

There is a need to reach an understanding re my bonus, in case there is a deal which is being executed.

Please show it to Viktor and the proper people in Renova and try to answer me as soon as possible. I will follow on with very detailed information. Be aware of the fact that other players are working on it as well.

Looking forward,

Sincerely yours,

Ehud Barak