Bayside Corporation

QUARTERLY REPORT – JUNE 30, 2012
Company Information & Disclosure Statement

ITEM I General Company Information

The exact name of the issuer and its predecessor (if any).

Bayside Corporation – January 5, 2011 to present
Bayside Petroleum Company, Inc. – September 9, 2008 to January 5, 2011
Formerly American Terra Vehicles Corp. – April 6, 1999 to September 9, 2008
Formerly Two-B Company, Inc. October 19, 1984 to April 6, 1999

The address of the issuer's principal executive offices.

15400 Knoll Trail, Suite 501
Dallas, Texas 75248
Phone: 972-385-7800 - Fax: 972-385-7997

ITEM II Share Structure

The number of shares or total amount of the securities outstanding for each class of securities authorized.

(i) Period ending June 30, 2012
(ii) 3,400,000,000 shares of common stock authorized, par value $0.0001
(iii) 50,000,000 shares of Series A preferred stock authorized, par value $0.0001
(iv) 50,000,000 shares of Series B preferred stock authorized, par value $0.0001
(v) 57,392,630 shares of common stock issued and outstanding
(vi) 1 share of Series A preferred stock issued and outstanding
(vii) 2,000,000 shares of Series B preferred stock issued and outstanding
(viii) 4,653,426 shares of common stock in the public float
(ix) There are 856 shareholders of record of common stock

ITEM III Inerim Financial Statements

The interim financial statements include a Balance Sheet, Statement of Operations, Statement of Cash Flows, a Statement of Stockholders' Equity and Notes to Financial Statements. The financial statements can be found attached to this report as Exhibit "A".

ITEM IV Management's Discussion and Plan of Operation

An Executive Summary is attached to this report as Exhibit "B" and gives a complete discussion of the plans of the Company for the remainder of 2012.

ITEM V Legal Proceedings

The only current, past, pending or threatened legal proceedings or administrative actions in connection with the Corporation are as follows:

a) On October 27, 2011 the Alabama Securities Commission issued a Notice of Final Order against Bayside Petroleum Company, Inc. (now Bayside Corporation) and others under Administrative Order Number CD-2010-0046, which was the result of a Complaint filed against Loma Novia Joint Venture, a Texas joint venture, of which the Corporation was previously the Joint Venture Manager. Unbeknown to the Corporation an employee/officer of a subsidiary of Nueces Valley Resources, who was a merger partner with the Corporation in 2009, had contacted a resident in Alabama with the intent to sell an interest in an oil and gas property. The Corporation had resigned as the Joint Venture Manager about the time the complaint was filed and denied any connection to this complaint through counsel; however, counsel retired in April, 2011 and did not issue notice to the Corporation in order that we might have petitioned to be removed from the complaint. The resulting Cease and Desist Order carried no penalties, only the order prohibiting the Corporation from selling unregistered securities in the State of Alabama. Since the Corporation does not sell oil and gas interests to parties that are not qualified the Order has no effect on the ongoing business of the Corporation.
b) In the 299th District Court, Duval County, Texas, a lawsuit was filed by Hermat Oilfield Service and Lodi Drilling and Service Co. against Bayside Petroleum Company, Inc. and others, which was in connection with the Loma Novia Joint Venture property. The claim against the Corporation was for unpaid invoices in the amount of $10,377.50 plus interest and attorney’s fees, totaling $16,323.00. The unpaid items in this matter are not expenses incurred by the Corporation, but the Corporation does own an interest in the property. However, in order to settle the matter and prevent a court appearance the Corporation has paid the $16,323.00 in full and the lawsuit has been withdrawn.

ITEM VI Defaults Upon Senior Securities

There are no material defaults of any kind.

ITEM VII Other Information

1. The Company effectuated a reverse split of its Common Stock in a ratio of 250:1. The reverse was effective as of June 20, 2011.

2. The Company changed Transfer Agents effective August 24, 2011. The new Transfer Agent is as follows:

   Corporate Stock Transfer, Inc.
   3200 Cherry Creek Drive South, Suite 430
   Denver, Colorado 80209
   (303) 282-4800

3. Effective May 1, 2012 the Company engaged Harold (“Hal”) Lambert, Winnie, Texas, as its Controller.

ITEM XIV Issuer's Certification

I, Gordon H. Johnson, do hereby certify that:

1. I have prepared and reviewed this quarterly disclosure statement;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the period presented in this disclosure statement.

Date: September 3, 2012

Gordon H. Johnson, Chief Executive Officer

EXHIBIT “A”

BAYSIDE CORPORATION

FINANCIAL STATEMENTS

BAYSIDE CORPORATION
BALANCE SHEET
June 30, 2012
(UNAUDITED)

	June 30, 2012
Assets	
Current Assets	
Cash & Cash Equivalents	$ (2,196)
Certificates of Deposit	130,000
Notes Receivable	-
Prepaid Expenses & Deposits	-
Other Current Assets & Miscellaneous	
Total Current Assets	$ 127,804
Fixed Assets	$ -
Other Assets	
Securities	-
Oil & Gas Leasehold	2,299,950
TOTAL ASSETS	$ 2,427,754
Liabilities and Stockholders' Equity (Deficit)	
Current Liabilities	
Accounts Payable & Accrued Expenses	$ 80,200
Notes Payable: (1) Accrued Payroll	165,000
Turnkey Payables- Drilling Projects	-
Total Current Liabilities	$ 245,200
Long Term Liabilities	-
Total Liabilities	$ 245,200
Stockholder's Equity	
Common Stock, authorized 3,400,000,000 shares, 57,392,630 issued as of 6.30.12, par value $0.0001	574
Preferred Stock, authorized 50,000,000 shares, 2,000,000 Issued @ $0.0001	200
Additional Paid in Capital	2,766,916
Retained Earnings (Deficit)	(585,136)
Total Stockholder's Equity (Deficit)	$ 2,182,544
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	$ 2,427,754

The accompanying notes are an integral part of these financial statements.

BAYSIDE CORPORATION.
STATEMENT OF OPERATIONS
June 30, 2012
(UNAUDITED)

	June 30, 2012
Revenues	$ -
Cost of Revenues	-
Gross Profit	$ -
Expenses	-
Impairment (leasehold write off)	-
Net Gain (Loss)	$ (0.00)
Gain Per Share (Loss)	$ (0.00)
Weighted Average Shares Outstanding	56,220,183

BAYSIDE CORPORATION
STATEMENT OF CASH FLOWS
June 30, 2012
(UNAUDITED)

	June 30, 2012
Cash Flows from Operating Activities	$ -
Net Profits for the Period	-
Depreciation	-
Common Stock Issued	-
Changes in Assets and Liabilities, Accounts Rec	-
Accounts Payable and Accrued Expenses	-
Net Cash Flows from Operating Activities	$ -
Cash Flows from Investing Activities	-
Purchase of Goodwill	-
Net Cash flows from Investing Activities	$ -
Cash Flows from Financing Activities	
Proceeds from Stock Subscribed	$ -
Reduction of Notes	-
Net Increase in Cash	$ -
Cash – beginning	$ -
Cash-end	$ (0)

BAYSIDE CORPORATION
Statements of Stockholders' Equity (Deficit)
June 30, 2012
(UNAUDITED)

	Preferred Stock	Common Stock	Additional Paid In Capital Prefered	Additional Paid in Capital Common	Retained Earnings (Deficit)	Total
Balance, 3.31.12	$ 200	$ 5,569	-	$ 3,179,657	$(1,289,522)	$ 966,576
Shares issued	-		-	(412,744)	-	(412,744)
Increase (Loss)		170				170
Balance for 3 months, June 30, 2012	$ 200	$ 5,739	$ -	$ 2,766,916	$(585,136)	$2,427,754

BAYSIDE CORPORATION
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDING JUNE 30, 2012

Note 1 – Organization and Significant Accounting Policies

Organization and Line of Business

Bayside Corporation. (the "Company") was incorporated in the state of Nevada on October 17, 1984 originally as Two-B Company, a clothing wholesaler. In April of 1999 the Company changed its name to American Terra Vehicles Corp. after completing a reverse merger and became active as a developer and distributor of all-terrain vehicles. In August of 2008 the Company changed its name to Bayside Petroleum Company, Inc., in anticipation of its new business plan in the oil and gas industry. In January, 2011 the Company again changed its name to Bayside Corporation.

Basis of Presentation/Going Concern

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. The Company had no material assets and a negative retained deficit while operating as American Terra Vehicles. These conditions raised substantial doubt as to the Company's ability to continue as a going concern at that time. It should be noted that since entering into the oil and gas business the Company has acquired significant oil and gas properties. These financial statements do not include any adjustments that might result from the outcome of this uncertainty. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States.

Reverse Stock Split

In May of 2008 the company effectuated a 20 to 1 reverse stock split reducing the shares outstanding from 7,940,000 shares to 397,000 shares. In June 2008, 200,000 shares were cancelled.

In June, 2011 the company effectuated a 250:1 reverse stock split for its common shares reducing the outstanding shares from 2,559,304,974 to 10,237,630 shares.

Merger

Effective September 22, 2009 the Company merged with Nueces Valley Resources, Inc., a closely held Dallas, Texas, based corporation. The Company acquired all the assets of Nueces Valley Resources in exchange for 27,351,500 shares of Common Stock and 27,352 shares of Preferred Stock. However, subsequently this transaction was rescinded, effective as of the date of the merger.

Stock Based Compensation

SFAS No. 123, "Accounting for Stock-Based Compensation," establishes and encourages the use of the fair value based method of accounting for stock-based compensation arrangements under which compensation cost is determined using the fair value of stock-based compensation determined as of the date of grant and is recognized over the periods in which the related services are rendered. For stock based compensation the Company recognizes an expense in accordance with SFAS No. 123 and values the equity securities based on the fair value of the security on the date of grant. For stock-based awards the value is based on the market value for the stock on the date of grant. Stock option awards are valued using the Black-Scholes option-pricing model.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates.

Fair Value of Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, other current assets, accounts payable, accrued interest and due to related party, the carrying amounts approximate fair value due to their short maturities.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Company defines cash equivalents as all highly liquid debt instruments purchased with a maturity of three months or less, plus all certificates of deposit.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist of cash and cash equivalents and accounts receivables. The Company places its cash with high quality financial institutions and at times may exceed the FDIC $250,000 insurance limit. The Company extends credit based on an evaluation of the customer's financial condition, generally without collateral. Exposure to losses on receivables is principally dependent on each customer's financial condition. The Company monitors its exposure for credit losses and maintains allowances for anticipated losses, as required.

Impairment of Long-Lived Assets

SFAS No. 144 requires that long-lived assets to be disposed of by sale, including those of discontinued operations, be measured at the lower of carrying amount or fair value less cost to sell, whether reported in continuing operations or in discontinued operations. SFAS No. 144 broadens the reporting of discontinued operations to include all components of an entity with operations that can be distinguished from the rest of the entity and that will be eliminated from the ongoing operations of the entity in a disposal transaction. SFAS No. 144 also establishes a "primary-asset" approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used.

Income Taxes

The Company accounts for income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes." Deferred taxes are provided on the liability method whereby deferred tax assets are recognized for deductible temporary differences, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Earnings (Loss) Per Share

The Company reports earnings (loss) per share in accordance with SFAS No. 128, "Earnings per Share." Basic earnings (loss) per share is computed by dividing income (loss) available to common shareholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. Diluted earnings (loss) per share have not been presented since the effect of the assumed conversion of options and warrants to purchase common shares would have an anti-dilutive effect.

Recently Issued Accounting Pronouncements

In December 2007, the FASB issued SFAS No. 141(R), Business Combinations (FAS 141(R)). This Statement provides greater consistency in the accounting and financial reporting of business combinations. It requires the acquiring entity in a business combination to recognize all assets acquired and liabilities assumed in the transaction, establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed, and requires the acquirer to disclose the nature and financial effect of the business combination. FAS 141(R) is effective for fiscal years beginning after December 15, 2008. We will adopt FAS 141(R) no later than the first quarter of fiscal 2010 and are currently assessing the impact the adoption will have on our financial position and results of operations.

In December 2007, the FASB issued SFAS No. 160. Noncontrolling Interests in Consolidated Financial Statements (FAS 160). This Statement amends Accounting Research Bulletin No. 51, Consolidated Financial Statements, to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. FAS 160 is effective for fiscal years beginning after December 15, 2008. We will adopt FAS 160 no later than the first quarter of fiscal 2010 and are currently assessing the impact the adoption will have on our financial position and results of operations.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities, which permits entities to choose to measure at fair value eligible financial instruments and certain other items that are not currently required to be measured at fair value. The standard requires that unrealized gains and losses on items for which the fair value option has been elected be reported in earnings at each subsequent reporting date. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007. We will adopt SFAS No. 159 no later than the first quarter of fiscal 2009. We are currently assessing the impact the adoption of SFAS No. 159 will have on our financial position and results of operations.

In September 2006, the FASB issued SFAS No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R). SFAS No. 158 requires company plan sponsors to display the net over- or under-funded position of a defined benefit postretirement plan as an asset or liability, with any unrecognized prior service costs, transition obligations or actuarial gains/losses reported as a component of other comprehensive income in shareholders' equity. SFAS No. 158 is effective for fiscal years ending after December 15, 2006. We adopted the recognition provisions of SFAS No. 158 as of the end of fiscal 2007. The adoption of SFAS No. 158 did not have an effect on the Company's financial position or results of operations.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements. SFAS No. 157 establishes a framework for measuring fair value in generally accepted accounting principles, clarifies the definition of fair value and expands disclosures about fair value measurements. SFAS No. 157 does not require any new fair value measurements. However, the application of SFAS No. 157 may change current practice for some entities. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. We will adopt SFAS No. 157 in the first quarter of fis*cal 2009. We are currently assessing the impact that the adoption of SFAS No. 157 will have on our financial* position and results of operations.

In July 2006, the FASB issued Interpretation No. 48, Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement No. 109 (FIN 48). This interpretation clarifies the application of SFAS No. 109, Accounting for Income Taxes, by defining a criterion that an individual tax position must meet for any part of the benefit of that position to be recognized in an enterprise's financial statements and also provides guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006, but earlier adoption is permitted. The Company is in the process of evaluating the impact of the application of the Interpretation to its financial statements.

Note 2 – Convertible Notes Payable

The Company was obligated to a private individual for $50,000 at December 31, 2007 which originated September 13, 2005. During the year ended December 31, 2008, the noteholder converted the note into 25,000,000 shares of common stock valued at $.002.

On August 1, 2008 the Company executed a Management Services Agreement with DZ Energy, LLC whereby the Company would furnish the services of Gordon H. Johnson as the Chairman and the CEO of the Company. The agreement was for a period of three (3) years, terminating on July 31, 2011 unless extended. The agreement also provided that DZ Energy, LLC would be paid the sum of $15,000 per month for the services provided, and that any part of this sum not paid would be accrued. Further, the agreement provided that the accrued sum could be converted into shares of Common stock of the Company upon the election of DZ Energy, LLC at a conversion rate approved by the Board of Directors. The note fully matured in the amount of $484,300 and was paid in full with the conversion into shares of Common Stock of the Company.

On August 15, 2010 the Company issued a Promissory Note in the amount of $451,000 to cover costs of services provided for the Company and the acquisition of oil and gas leases. These amounts were paid by DZ Energy, LLC and/or its affiliate companies. The note fully matured and was paid with the conversion into shares of Common Stock of the Company.

On August 1, 2011 the Company renewed the Management Services Agreement with DZ Energy, LLC, which provided for the payment of $15,000 per month for the services provided. As of June 30, 2012 this totaled $165,000.

Note 3 – Goodwill

The Company issued 30,000,000 shares of common stock for the purchase of the assets of DZ Energy LLC. These shares were valued at market at $.02 cents per share resulting in a value of $600,000 which was assigned to goodwill. The Company then impaired this acquisition in full as the value of the oil leases purchased going forward could not be measured precisely.

Note 4 – Purchase of Assets

The Company issued 24,803,000 shares of Common stock to DZ Energy, LLC in exchange for oil and gas properties on May 29, 2009. The properties were valued at $1,886,876.00, which was reflected on the Balance Sheet of the Company.

The Company issued 1,490,000 shares of Common Stock of the Company in exchange for a 13% working interest in the P. E. White and the Bishop Cattle Co. leases.

Note 5 – Income taxes

Income taxes are accounted for in accordance with SFAS 109, *Accounting for Income Taxes*, using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company has a net loss carryforward equal to approximately $50,000. The deferred tax asset related to this carryforward has been reserved in full due to the fact that it is more likely than not that the Company will realize this asset.

EXHIBIT “B”

BAYSIDE CORPORATION

EXECUTIVE SUMMARY

PRIVATE AND CONFIDENTIAL

(Not for Distribution)

EXECUTIVE SUMMARY

BAYSIDE CORPORATION

JUNE 2012

Introduction:

Bayside Corporation ("Bayside" or "Company") is a fast-growing early stage oil and gas development company organized in Nevada and having principal offices in Dallas, Texas. The Company has a management team with over 100 years of combined experience with prominent energy companies. Bayside specializes in the acquisition, rework and enhancement of properties in proven oil and gas fields that offer lower risk and high potential returns to the Company in a shorter time period than through traditional exploration drilling.

To date, Bayside has assembled and/or acquiring and is drilling, re-completing and/or reworking a valuable portfolio of 13 oil and gas properties throughout Texas, Louisiana and Mississippi. The properties contain 56 total wells. There are numerous shut-in wells that are productive and will require rework and/or re-completion. Also, there are additional development locations to drill. Upon completion of the work proposed on the properties now inventoried the Company should have proven, future net revenues of approximately $100+ million. The Company has an aggressive growth strategy with a goal to reach net proven reserves of 10 million barrels of oil and natural gas equivalents within 12 to 18 months of its pending funding discussed below. Bayside has additional goals, which include achieving production of over 1,200 net barrels of crude oil (including gas equivalent) per day and monthly cash flow exceeding $1,200,000.

Bayside has several major strengths. It has a strong, experienced and focused management team, it owns a valuable portfolio of existing oil and gas properties and it is well positioned to substantially increase its proven reserves, cash flow and shareholder value over the next 12 to 18 months.

Bayside is a public company, its trading symbol being "BYSD". Bayside was formed with the infusion of oil and gas properties from its President and his associates into the Company, after which the name change was accomplished. Previously, the Company had been active in other industries. Bayside is in the process of securing financing, the funds from which will be applied to the development of the current inventory of properties and to acquire the additional interests in the current properties and new projects.

Bayside Petroleum Company, Inc., a Wyoming corporation, is a wholly owned subsidiary of the Company and is the operating arm of the Company.

History of Bayside Corporation:

As energy prices reached lows in the 1990s, the Bayside management team recognized the long-term prospects were positive for domestic oil and gas development companies. Management believed that low oil and gas prices created an excellent opportunity to acquire the rights to valuable oil and gas properties at very attractive prices for future development and production.

The Company focused on the acquisition of fields with proven and verifiable reserves that offered low risk and high potential returns. Bayside's management team has acquired oil properties primarily throughout Texas and Mississippi, and continues to search for new acquisitions. Presently there is at least one prospect that is being evaluated that the Company expects to acquire.

Capital Structure:

Bayside has presently issued and outstanding approximately 55.6 million shares with approximately 4 million shares being in the float, some of which are closely held by friendly parties. The Company has authorized capital of 3.4 billion common shares, 50 million Series A Preferred Shares and 50 million Series B Preferred Shares. Effective June 20, 2011 the Company underwent a reverse split of its Common Stock on a 250:1 basis.

Corporate Debt:

The Company incurred debt of $975,150 through two Promissory Notes dated August 1, 2008 and August 15, 2010 respectively. The Notes were given in connection with a Management Services Agreement and for the purchase at cost of certain oil and gas assets. All of the debt is owed to DZ Energy, LLC who is the controlling shareholder of the Company. The Notes have matured and are more than one year in age. DZ Energy, LLC offered the Company the opportunity to pay the debt with the issue of shares of Common Stock, of which the Board has approved. The transaction was concluded in October 2011 with 15.595 million shares were issued to satisfy the debt. Of the shares issued none were delivered to DZ Energy, LLC, but were issued to parties who will be involved in the stock awareness program that the company will soon embark upon and 5.0995 million shares to Billye Little & Associates, Inc., whose President is the wife of Gordon H. Johnson.

Current Transactions:

In December 2011 the Company negotiated an agreement with a Dallas company whereby an infusion of $675,000 will be made into a Joint Venture of which $110,000 will be for working capital and $565,000 will be to invest into its White and Bishop Cattle Co. leases in Duval County. Specifically the terms are to rework/re-complete up to 9 wells and drill 2 new wells. It should be noted that one of the principals of the investing company is a petroleum engineer who recently did a study on the two leases and concluded that at least 2.5 million barrels of oil are recoverable from the White lease. The Company plans to re-purchase this interest from funds raised through several of the projects now on the books.

In January 2012 the Company entered into a Joint Venture Agreement with C. Trade Group of New York to provide a Letter of Credit of $3.0 million to the Company with which the Company can arrange a Line of Credit with its bank. The funds will be used to rework, re-complete and drill wells on the properties owned by the Company. This Joint Venture has the potential to continue with additional funding arrangements in larger amounts after the completion of the initial venture.

The Company is planning to raise up to $1 million through the sale of shares of its Common Stock. The pricing of the shares has not been determined at this point, but will be no less than $0.25 per share. This offering will be held simultaneously with a planned program by the Company to improve the liquidity of the market and enhance the price of the shares. It is expected that the program and the offering will commence in March/April, 2012.

The Company is also in negotiations with several groups for the funding of $2 to $3 million, which funds would be applied to the properties of the Company.

Executive Management and Directors:

Gordon H. Johnson – Chairman & President - Mr. Johnson has decades of experience in oil and gas development and is a third generation oilman. He has worked for Conoco, Pennzoil, Mitchell Energy and additional companies where he received experience in Texas, New Mexico, Oklahoma, Montana, North Dakota and Louisiana. In 1972 he became an independent oil operator. During his career he has been responsible for generating geological prospects, acquiring oil and gas leases and producing properties, generating drilling funds, supervising the drilling and completion of numerous oil and gas wells and coordinating several mergers. From 2004 to present, Mr. Johnson is Chairman of American Gold Resources Corporation, a public company. He has served since 1999 as President of Venture Oil & Gas, Inc., which is currently an inactive company. He also serves as a director of Empiric Energy, Inc. Mr. Johnson attended the University of Texas in Austin, Texas majoring in geology and petroleum land management. He is a member of Texas Independent Producers & Royalty Owners (TIPRO), Louisiana Oil & Gas Association (LOGA), the Dallas Geological Society (DGS) and the Society of Petroleum Engineers (SPE).

John L. Griffiths, Jr. – Manager, Operations - Mr. Griffiths is a graduate from Southern Methodist University (SMU) with a B. S. degree in Mechanical Engineering. He also attended Louisiana State University (LSU), majoring in Petroleum Engineering. John has had 40+ years of experience in the oil and gas industry primarily in the areas of acquisitions and operations of oil and gas properties mainly in Texas, Louisiana, Oklahoma and New Mexico. He has also owned and operated a drilling company with five drilling rigs. Mr. Griffiths is a member of the Society of Petroleum Engineers (SPE).

Harold F. ("Hal") Lambert – Controller - Mr. Lambert attended Texas A&M University and received his BBA in Accounting in 1971. He became a Certified Public Accountant-Texas in 1982. Further, he received his certification as a Drilling Fluids Engineer in 1997. Mr. Lambert worked in the accounting field from 1974 through 1985 and 1988 through 1992 for several oil and gas companies. He has also been a contract oil well operator and a drilling fluids engineer ("mud engineer") for several companies, both domestically and foreign, from 1997 to the present, during such time he also acted in a capacity of accountant as well. The unusually broad experience enjoyed by Mr. Lambert will of great value to the Corporation both administratively and in field operations.

James T. Ling – Director, Vice President – Mr. Ling attended Southern Methodist University (SMU-Dallas, Texas) and North Texas University (Denton, Texas). He also received his certificate from the New York Institute of Finance. Subsequently, Mr. Ling entered the stock brokerage business becoming an Allied Member of the New York Stock Exchange. For the past 20+ years he has owned and operated a business in the construction and landscaping industry with major clients such as Texas Instruments. He currently is Chairman and President of Empiric Energy, Inc., an independent oil company that is traded under the symbol of "EPRC" on the OTC:BB, a company founded by his father, James J. Ling of LTV fame. He also serves as President and Director of American Gold Resources Corp., a placer mining company with holdings in Oregon and Alaska.

David Dischiavo – Director – Mr. Dischiavo attended Kenyon College, Gambier, Ohio for four years. Subsequently, he worked as a registered stock broker in New York and Connecticut for 15 years with such companies as Bache & Company and Shearson Hamill. In 1974 he founded Mohawk Development Corp. and operated it through 1988, specializing in the initial funding of small and medium sized companies, some of which were active in the oil and gas industry. In 1988 he moved to Dallas, Texas and founded Five Star

Financial Corp., in investment banking firm providing initial and secondary capital for small and medium sized companies. Since 1998 he has operated as an independent financial consultant.

Consultants and Advisors:

Corporate Counsel:	A. L. Vickers, 4044 N. Central Expressway, Suite 600, Dallas, Texas 75204.
Securities Counsel:	W. Andrew Stack, 22813 Highway 71 West, Spicewood, Texas 78669.
Investment Banking:	Newport Capital Consultants, Inc. (Gary E. Bryant), 980 Noble Champions Way, Bartonville, Texas 76226.
Shareholder Relations:	Panorama Consultants, 857 County Road 1178, Sulphur Springs, Texas 75482 (1-888-982-2008)
Public Relations:	Ron Irwin, 1701 Scott Road, Burbank, California 91504 (1-310-908-0889)
Field Operations:	L.L. Oil Company (Dan DeSpain), Duval County, Freer, Texas.
Affiliated Companies:	Stonegate Operators, Inc. – manages Company operated wells in Texas. Rockland Oil Company – manages Company operated wells in Mississippi.

To date BYSD owns and/or has options to purchase thirteen (13) leases/prospects in oil and gas fields in Texas and Mississippi, which are further described as follows:

BYSD's Ownership of Existing Fields/Projects

Field/Project Name ***Owned Properties***	**Location**	**Acreage**	**No. of Wells**	**BYSD Working Interest**	**BYSD Net Revenue Interest**
Muscadine	Tyler Co., TX	230.00	3	100.0%	75.0%
Baxterville	Lamar Co., MS	200.00	4	100.0%	75.0%
Loma Novia: Bishop Duval Bishop Cattle P. E. White Moody & West	Duval Co., TX	 80.00 480.00 1,215.00 181.73	 2 18 12 7	 16.5% 100.0% 100.0% 100.0%	 12.4% 75.0% 72.5% 75.0%
Alta Mesa, E.	Brooks Co., TX	63.00	1	15.0%	10.5%
Gruy 1	Duval Co., TX	160.00	-0-	100.0%	75.0%
Kelsey S.	Starr Co., TX	160.00	4	100.0%	75.0%
Seven Sisters	Duval Co., TX	160.00	1	50.0%	35.0%
Pearsall Thompson Katrina	Dimmit & La Salle Cos., TX	 320.00 80.00	 2 1	 10.0% 50.0%	 7.5% 35.0%
Anse La Butte Various Leases	St. Martin Parish, Louisiana	600.00	-0-	87.5%	65.6%
1 Option/Acquiring					

Oil and Gas Fields:

Following is a description of the properties owned by BYSD. The currently owned fields include:

1) **Muscadine Field – Tyler County, Texas.** This field is located on a 230-acre tract of land in Tyler County, Texas. BYSD has a 100.0% Working Interest. The lease contains three wells. The field has had six productive wells drilled during its life, with the drilling taking place in two phases, the late 1950's and the early 1970's. The field produces from multiple zones in the Wilcox formation, occurring between the depths of 8,175' and 8,500'. The field has produced approximately 400,000 barrels of oil and 350 MMCF of gas. BYSD plans to drill a new well in the first quarter of 2012. The lease should support at least another 2 wells as well. New wells should produce in excess of 100 bopd.

2) **Baxterville Field – Lamar County, Mississippi.** This property is located on a 200-acre lease. The lease contains 4 wells, with 3 being production wells and 2 fully equipped. The 4th well is a saltwater disposal well. The wells previously produced from the Tuscaloosa formation at the approximate depth of 8,800'. BYSD has a 100.0% Working Interest. On the last test the well was pumped at a rate of 200 barrels of fluid per day with a 5% oil cut. The plan is to re-enter the initial well and equip it with a high volume down hole (hydraulic) pump to increase the fluid produced daily by the well, thereby increasing the daily oil production. It is anticipated that the well will be produced at a rate of 2,000 barrels of fluid per day, which with a minimal 5% cut will produce 100 bopd. After completing the initial well as a commercial oil producer BYSD will perform similar work on the other 2 production wells. Some operations have been incurred.

3) **Loma Novia Field (Bishop Duval Lease) – Duval County, Texas.** This project covers 80 acres on the Southwestern edge of the field. In the late 1950's Texaco drilled 5 wells on the tract and completed them as dual producers in the Loma Novia sands, which wells recovered 165,000 barrels of oil before being abandoned. In 1996 Alco Drilling Co. drilled their No. 1 Bishop-Duval well to 2,660' and set production casing. Tests on the well indicated there were 7 productive zones in the well, two of which were the ones in which the Texaco wells produced. Due to illness the Operator never was able to complete this well. The Company has drilled a new well (#2) and has re-entered the well previously drilled (#1). Production operations are ongoing. The lease is expected to produce 7 to 12 bopd. The Company owns a 16.5% interest in the lease.

4) **Loma Novia Field (Bishop Cattle Lease) – Duval County, Texas.** The Company has acquired a 100% interest in a 480-acre oil and gas lease that is a SW extension to the Loma Novia field. The lease previously had 43 completed wells located on it, of which 18 are shut-in (unplugged) and still viable. The company plans to test the existing wells for production viability and put on the wells that will produce commercially. A detailed geological/engineering study is under way to determine if there are additional productive zones and undrilled locations. It is expected that an additional 15 locations will be available for future drilling. Wells completed on the Western portion of this lease were producers from the Government Wells sands and are located in the Government Wells, S. Field. Wells on the Eastern portion of the lease are completed in the Loma Novia Field (Loma Novia sands). Upon putting all reworked/recompleted wells into production the Company anticipates daily rates ranging between 60 and 100 bopd. New wells are expected to potential around 15 to 25 bopd.

5) **Loma Novia Field (Moody Lease) – Duval County, Texas.** The Company has acquired a 100% interest in a 183-acre lease that is approximately one-half (1/2) mile North of the Bishop-Duval Lease and the same distance Northeast of the White Lease. The lease contains 7 completed wells that are in need of rework to return them to commercial production. Six of the wells are completed in Loma Novia sands and one in a Government Wells sand. The Company plans to rework these wells during the 4th quarter of 2011. Anticipated production is approximately 20 bopd.

6) **Government Wells, S. Field (P. E. White Lease) – Duval County, Texas.** BYSD has acquired a 100% interest in this 1,215-acre lease in an area in which both Loma Novia and Government Wells sand wells were completed and produced. Approximately 57 wells were drilled on this lease and completed in one of the two zones. A majority of the drilling took place in the early to mid-1930's. At acquisition time the lease was producing at a rate of 9 bopd from two wells but the wells went off production and reworks are pending. The remaining wells on the lease can be placed back into production with a small amount of re-work and/or re-completion in new zones. BYSD has completed a study of the immediate area and has developed an informal plan to further develop the lease. It is believed that there are at least 20 additional locations on the lease to be drilled as well as zones behind pipe to be evaluated on the existing wells. After reworks the lease should produce in the range of 50 to 75 bopd. New wells could add 25 to 35 bopd per well at a minimum. The property is a part of the Joint Venture discussed above and operations have commenced on the initial reworks.

7) **Seven Sisters Field – Duval County, Texas.** The Company has acquired a 50% interest in this lease, which has one completed well. The well is currently shut-in waiting on recompletion in new zones. This area produces from a multitude of zones and the existing well has 3 productive zones that have not been produced. Also, there are a number of developmental drilling locations available on this lease. Further, the Company believes opportunities are available to acquire additional leases in the immediate area that will have future developmental possibilities. We expect initial production of 25 to 35 bopd. The re-completion will take place in January, 2012.

8) **Pearsall Field – Dimmit County, Texas.** Bayside owns a 10% interest in 2 wells located on 320 acres that were originally completed as commercial wells in the Austin Chalk formation. One of the wells has been drilled horizontally across the base of the formation and the second well was in the process of being drilled horizontal when the well "kicked" and was put into production at that point. The wells are currently producing a small quantity of oil and hydraulic fracture treatments are pending, which should significantly increase the daily rates.

9) **Pearsall Field – LaSalle County, Texas.** The Company owns a 50% interest in an 80-acre lease unit for the drilling of a horizontal drainhole in the basal Austin Chalk formation. However, prior to drilling the lateral hole the Company will complete the well in the vertical well bore in several of the Austin Chalk zones. After depleting these zones the lateral hole will be drilled. Initial rates after vertical completion are expected to be 50 bopd. Rates from a horizontal drainhole are expected to be 300 to 500 bopd.

10) **Alta Mesa, E. Field – Brooks County, Texas.** The Company has a 15% carried interest in on well on this 63-acre lease. There is one well on the lease that is productive in several zones. A prior re-entry of the well encountered mechanical difficulties and a new re-entry and sidetrack is planned for late 2011. A successful completion is expected to produce approximately 2 to 3 million cubic feet per day and 100 barrels of condensate per day.

11) **Kelsey S. Field – Starr County, Texas.** This prospect covers 160 acres of land and has 4 well on which to rework and re-complete. The majority of the leases have been acquired and the Company will own a 100% interest in the wells. The prospect consists of two 80-acre tracts. The initial plan is to put all 4 wells on production from the Upper Clark Sand. Each of the wells was previously completed in this zone and production of 25+ bopd should be attained. Additionally, there are numerous zones up the hole that are productive of oil and/or gas that can be re-completed at a later date. Lastly, there are potential developmental locations to be drilled on the leased premise or on adjacent lands that can be leased later.

12) **Anse La Butte Field – St. Martin Parish, Louisiana.** Oil and Gas Leases on this prospect are currently being acquired with the eventual total of approximately 600 net acres. The project is situated on a piercement salt dome approximately 5-6 miles East of Lafayette, Louisiana. The field has produced from multiple zones in the Miocene formation for many years. The primary zones of interest are shallow sands occurring between 800' and 1,000'. There are 3 zones that have produced oil on the dome in that range. Initially the Company will perform re-entries of wells on its leases, but there will be numerous development drilling locations available. Further, there is potential for additional production of oil from sands developing in the 4,000' range as well as a zone (Het) occurring near 8,000', all for future development.

Properties being acquired include the following:

1) **Gruy Field – Duval County, Texas.** The Company has purchased an option to purchase a 160-acre tract on the Northern end of this field, which is the North quarter of a 640-acre drilling unit in the field. The field was discovered in 1948 with the completion of a commercial well in a Jackson Series sand, known as the Cole or locally as the Daugherty sand, at an approximate depth of 2,500'. The field has accumulated to date 2.6 million barrels of oil from this zone. The 640-acre unit recovered 550,000 barrels of oil prior to being abandoned. A recent geological study indicates that the field was not fully developed and that there are a number of infield locations to be drilled, of which 7 or 8 are on this option tract. Electric logs run in the wells drilled in the field have been evaluated and indicate that there are several potential gas sands present. The Company plans to drill its initial well to a depth of 3,000' in order to evaluate all potentially productive zones, which should occur in the first quarter of 2012. We expect the initial production rates to range from 30 bopd to 75 bopd. The Company has verbally arranged for an option to acquire a lease on an additional 480 acres immediately South of this tract.