EAGLEWOOD ENERGY INC.
(formerly Surge Resources Inc.)

MANAGEMENT'S DISCUSSION AND ANALYSIS
Three and nine months ended March 31, 2008

(Amounts expressed in Canadian Dollars unless otherwise indicated)

Management's discussion and analysis ("MD&A") of Eaglewood Energy Inc.'s (the "Company" or "Eaglewood") financial condition and results of operations should be read in conjunction with the unaudited consolidated financial statements for the three and nine months ended March 31, 2008 and 2007 and related notes therein prepared in accordance with Canadian generally accepted accounting principles. The effective date of this MD&A is May 9, 2008. Additional information relating to the Company is available on SEDAR at **www.sedar.com** .

FORWARD-LOOKING STATEMENTS

Certain information regarding the Company contained herein may constitute forward-looking statements. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections or other statements that are not statements of fact. By their nature, forward-looking statements and information involve assumptions, inherent risks and uncertainties, many of which are difficult to predict, and are usually beyond the control of management, that could cause actual results to be materially different from those expressed by these forward-looking statements and information. The Company does not undertake to update or re-issue the forward-looking statements and information that may be contained herein, whether as a result of new information, future events or otherwise. The Company's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

RESULTS OF OPERATIONS

The Company had net losses of $698,930 and $2,366,432 for the three and nine month periods ended March 31, 2008. In the prior year three and nine month periods, the Company reported net losses of $31,956 and $105,621.

The higher losses in the current year periods were mainly the result of an increase in general and administrative, travel and stock-based compensation expenses and professional fees. In the current financial reporting year, the Company acquired a 100% interest in four exploration prospecting licenses granted by the government of Papua New Guinea and related technical data; established a branch office in Papua New Guinea and established its corporate office in Canada. During the prior year periods, the Company was in the process of reviewing potential oil and gas projects and had minimal activity.

Compared to the prior year nine month period, professional fees increased approximately $219,000, general and administrative expenses increased approximately $689,000 and travel increased approximately $268,000 predominantly as a result of the Papua New Guinea asset acquisition. Within general and administrative expenses, the largest increase was in salaries and wages. For the three and nine month periods ended March 31, 2008, salaries and wages were approximately $283,000 and $537,000 compared to $nil for the prior year periods. The Company had no staff in the prior year periods.

In addition, during the nine months ended March 31, 2008, the Company granted stock options which increased the expenses for this period by approximately $1,093,000. For the three months ended March 31, 2008, the expenses relating to stock options was approximately $150,000. There were no expenses relating to stock options in the prior year periods.

SELECTED QUARTERLY INFORMATION

The following is a summary of selected financial information for the Company for the periods indicated:

($000's except per share data)	Mar 31, 2008	Dec 31, 2007	Sept 30, 2007	June 30, 2007	Mar 31, 2007	Dec 31, 2006	Sept 30, 2006	June 30, 2006
Revenue	$56	$94	$5	$6	$7	$7	$8	$8
Income (loss) before discontinued operations	($699)	($1,532)	($136)	($52)	($32)	$2	($76)	($41)
Net income (loss)	($699)	($1,532)	($136)	($52)	($32)	$2	($76)	($41)
Income (loss) per share before discontinued operations	($0.01)	($0.03)	($0.01)	($0.01)	($0.01)	$0.01	($0.01)	($0.01)
Total income (loss) per share	($0.01)	($0.03)	($0.01)	($0.01)	($0.01)	$0.01	($0.01)	($0.01)
Total assets	$34,863	$35,858	$694	$819	$839	$853	$850	$940

FINANCIAL CONDITION

At March 31, 2008, the Company had total assets of $34,863,147 compared to $819,364 at June 30, 2007. The increase of approximately $34,044,000 is mainly due to the increases in cash and petroleum and natural gas properties. On October 1, 2007, Company acquired a 100% interest in four exploration prospecting licenses granted by the government of Papua New Guinea and related technical data from Transeuro Energy Corp. ("Transeuro") in exchange for common shares of the Company valued at $25,500,000. The increase in the Company's cash position is the result of a private placement for 12,000,000 common shares at $0.85 per share for gross proceeds of $10,200,000 (net $9,679,825) which also closed in October 2007. Proceeds from the private placement were used to fund additional costs incurred on the licenses during the second and third quarter for the construction of a drilling pad and 2-D seismic reprocessing.

LIQUIDITY AND CAPITAL RESOURCES

At March 31, 2008, the Company had net working capital of $5,455,559 compared to net working capital of $528,058 at June 30, 2007. The increase in working capital is due to the cash proceeds from the private placement described above.

Funds used in operations were $571,985 for the three months ended March 31, 2008 compared to $21,938 for the same three month period in 2007. Funds used in operations were $1,197,479 for the nine months ended March 31, 2008 compared to $107,386 for the same period in 2007. The increase in the funds used in operations for the current year periods is mainly due to the increased expenses as explained in results of operations above, as compared to the prior year periods.

Net cash used in investing activities for the three and nine month periods ended March 31, 2008 was $533,110 and $3,379,297 compared to $126,494 for the prior year periods. Investing activities consisted mainly of the construction of a drilling pad on one of the Papua New Guinea license blocks and reprocessing of 2-D seismic.

Net cash from financing activities for the three and nine months ended March 31, 2008 was $nil and $9,679,825 compared to $nil for both prior year periods. The Company issued 12,000,000 common shares at a price of $0.85 per share pursuant to a private placement in October 2007.

Contributed surplus at March 31, 2008 increased $1,205,098 over June 30, 2007. The increase is due to the stock-based compensation for the nine month period and the fair value of agent's warrants issued in relation to the private placement equity financing.

The Company does not currently generate sufficient cash flow from operating activities to fund its activities and has relied upon the issuance of common shares to provide additional funding. During the prior quarter ended December 31, 2007, the Company completed an asset purchase and transitioned into an oil and gas exploration company. The Company may consider additional issuances of common shares to assist with its exploration activities going forward and may consider joint venture or farm-out arrangements in its licenses to finance its exploration activities. Accordingly, the Company's financial statements are presented on a going-concern basis.

OUTSTANDING SHARE DATA

As at May 9, 2008, the Company had 57,744,942 common shares outstanding and 3,225,000 stock options outstanding under its stock option plan.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

For the nine months ended March 31, 2008, the Company incurred legal expenses of $82,280 paid to a firm of which a current director is a partner. The Company paid $42,000 in management fees to a company controlled by a director. The Company paid $2,741,875 for reimbursement of costs incurred relating to the four exploration prospecting licenses in PNG to a company with common directors and a common officer.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning the Company's general and administrative expenses for the last two fiscal years is provided in the Company's Statement of Loss and Deficit contained in its Financial Statements for June 30, 2007 and 2006 that is available on SEDAR at **www.sedar.com**.