UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] Annual report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2009.

[ ] Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from ___________ to ___________

Commission File Number: 001-32624

FIELDPOINT PETROLEUM CORPORATION

(Name of Small Business Issuer in Its Charter)

Colorado	**84-0811034**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

1703 Edelweiss Drive
Cedar Park, Texas 78613
(Address of Principal Executive Offices) (Zip Code)

(512) 250-8692
(Issuer's Telephone Number, Including Area Code)

Securities registered under Section 12(b) of the Exchange Act:
(None)

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, $.01 Par Value
Title of Class

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act [___] Yes [_X_] No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. [____]

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [x] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer [___] Accelerated filer [__]

Non-accelerated filer [___] (Do not check if a smaller reporting company) Smaller reporting company [_X_]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes____ No_X__

The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked price of such common equity, as of March 30, 2010, was $11,558,065.75.

The number of shares outstanding of the registrant's common stock as of March 30, 2010 are 8,910,175

List hereunder the following documents if incorporated by reference and the Part of the Form 10-K (*e.g.,* Part I, Part II, etc.) into which the document is incorporated: (1) Any annual report to security holders; (2) Any proxy or information statement; and (3) Any prospectus filed pursuant to Rule 424(b) or (c) under the Securities Act of 1933. The listed documents should be clearly described for identification purposes

Exhibits

See Part IV, Item 15.

PART I

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this Form 10-K constitute "forward-looking statements' within the meaning of the Private Securities Litigation Reform Act and Section 27A of the Securities Exchange Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this Form 10-K that address activities, events or developments that FieldPoint Petroleum Corp. and its subsidiaries (collectively, the "Company", "we", "us", "our" or "ours") expects, projects, believes or anticipates will or may occur in the future, including such matters as oil and natural gas reserves, future drilling and operations, future production of oil and natural gas, future net cash flows, future capital expenditures and other such matters, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: the volatility of oil and natural gas prices, the Company's drilling and acquisition results, the Company's ability to replace reserves, the availability of capital resources, the reliance upon estimates of proved reserves, operating hazards and uninsured risks, competition, government regulation, the ability of the Company to implement its business strategy and other factors referenced in this Form 10-K.

ITEM 1- <u>BUSINESS</u>

General

FieldPoint Petroleum Corporation, a Colorado corporation (the "Company"), was formed on March 11, 1980, to acquire and enhance mature oil and natural gas field production in the mid-continent and the Rocky Mountain regions. Since 1980, the Company had engaged in oil and natural gas operations and, in 1986, divested all oil and natural gas assets and operations. From December 1986, until its reverse acquisition on December 31, 1997, the Company had not engaged in oil and natural gas operations.

Reverse Acquisition – On December 22, 1997, the Company entered into an Agreement with Bass Petroleum, Inc., a Texas corporation ("BPI"), pursuant to which, on December 31, 1997, the Company acquired from the shareholders of BPI an aggregate of 8,655,625 shares of capital stock of BPI, in exchange for the issuance of 4,000,000 unregistered shares of the Company's common stock. The transaction was treated, for accounting purposes, as an acquisition of FieldPoint Petroleum Corporation by Bass Petroleum, Inc. On December 31, 1997, the Company changed its name from Energy Production Company to FieldPoint Petroleum Corporation.

Business Strategy

The Company's business strategy is to continue to expand its reserve base and increase production and cash flow through the acquisition of producing oil and natural gas properties. Such acquisitions will be based on an analysis of the properties' current cash flow and the Company's ability to profit from the acquisition. The Company's ideal acquisition will include not only oil and natural gas production, but also leasehold and other working interests in exploration areas.

The Company will also seek to identify promising areas for the exploration of oil and natural gas through the use of outside consultants and the expertise of the Company. This identification will include collecting and analyzing geological and geophysical data for exploration areas. Once promising properties are identified, the Company will attempt to acquire the properties either for drilling oil and natural gas wells, using independent contractors for drilling operations, or for sale to third parties.

The Company recognizes that the ability to implement its business strategies is largely dependent on the ability to raise additional debt or equity capital to fund future acquisition, exploration, drilling and development activities. The Company's capital resources are discussed more thoroughly in Part II, Item 7, in Management’s Discussion and Analysis.

Operations

As of December 31, 2009, the Company had varying ownership interest in 376 gross productive wells (103.29 net) located in five states. The Company operates 67 of the 376 wells; the other wells are operated by independent operators under contracts that are standard in the industry. It is a primary objective of the Company to operate some of the oil and natural gas properties in which it has an economic interest, and the Company will also partner with larger oil and natural gas companies to operate certain oil and natural gas properties in which the Company has an economic interest. The Company believes, with the responsibility and authority as operator, it is in a better position to control cost, safety, and timeliness of work as well as other critical factors affecting the economics of a well.

Market for Oil and Natural Gas

The demand for oil and natural gas is dependent upon a number of factors, including the availability of other domestic production, crude oil imports, the proximity and size of oil and natural gas pipelines in general, other transportation facilities, the marketing of competitive fuels, and general fluctuations in the supply and demand for oil and natural gas. The Company intends to sell all of its production to traditional industry purchasers, such as pipeline and crude oil companies, who have facilities to transport the oil and natural gas from the well site.

Competition

The oil and natural gas industry is highly competitive in all aspects. The Company competes with major oil companies, numerous independent oil and natural gas producers, individual proprietors, and investment programs. Many of these competitors possess financial and personnel resources substantially in excess of those which are available to the Company and may, therefore, be able to pay greater amounts for desirable leases and define, evaluate, bid for and purchase a greater number of potential producing prospects that the Company's own resources permit. The Company’s ability to generate resources will depend not only on its ability to develop existing properties but also on its ability to identify and acquire proven and unproven acreage and prospects for further exploration.

Environmental Matters and Government Regulations

The Company's operations are subject to numerous federal, state and local laws and regulations controlling the discharge of materials into the environment or otherwise relating to the protection of the environment. Such matters have not had a material effect on operations of the Company to date, but the Company cannot predict whether such matters will have any material effect on its capital expenditures, earnings or competitive position in the future.

The production and sale of oil and natural gas are currently subject to extensive regulations of both federal and state authorities. At the federal level, there are price regulations, windfall profits tax, and income tax laws. At the state level, there are severance taxes, proration of production, spacing of wells, prevention and clean-up of pollution and permits to drill and produce oil and natural gas. Although compliance with their laws and regulations has not had a material adverse effect on the Company's operations, the Company cannot predict whether its future operations will be adversely effected thereby.

Operational Hazards and Insurance

The Company's operations are subject to the usual hazards incident to the drilling and production of oil and natural gas, such as blowouts, cratering, explosions, uncontrollable flows of oil, natural gas or well fluids, fires, pollution, releases of toxic gas and other environmental hazards and risks. These hazards can cause personal injury and loss of life, severe damage to and destruction of property and equipment, pollution or environmental damage and suspension of operations.

The Company maintains insurance of various types to cover its operations. The Company's insurance does not cover every potential risk associated with the drilling and production of oil and natural gas. In particular, coverage is not obtainable for certain types of environmental hazards. The occurrence of a significant adverse event, the risks of which are not fully covered by insurance, could have a material adverse effect on the Company's financial condition and results of operations. Moreover, no assurance can be given that the Company will be able to maintain adequate insurance in the future at rates it considers reasonable.

Administration

Office Facilities – The office space for the Company's executive offices at 1703 Edelweiss Drive, Cedar Park, Texas 78613, is currently provided by the President at a cost of $2,500 per month as of December 31, 2009.

Employees – As of March 30, 2010, the Company had 4 employees, and the Company considers its relationship with its employees satisfactory.

ITEM 1A – RISK FACTORS.

Oil and gas operations are risky.

We compete in the areas of oil and gas exploration, production, development and transportation with other companies, many of which may have substantially larger financial and other resources. The nature of the oil and gas business also involves a variety of risks, including the risks of operating hazards such as fires, explosions, cratering, blow-outs, and encountering formations with abnormal pressures, the occurrence of any of which could result in losses to us. We maintain insurance against some, but not all, of these risks in amounts that management believes to be reasonable in accordance with customary industry practices. The occurrence of a significant event, however, that is not fully insured could have a material adverse effect on our financial position.

A substantial decrease in oil and natural gas prices would have a material impact on us.

Our future financial condition and results of operations are dependent upon the prices we receive for our oil and natural gas production. Oil and natural gas prices historically have been volatile and likely will continue to be volatile in the future. This price volatility will also affect our common stock price. We cannot predict oil and natural gas prices and prices may decline in the future. The following factors have an influence on oil and natural gas prices, including but not limited to:

* changes in the supply of and demand for oil and natural gas;
* storage availability;
* weather conditions;
* market uncertainty;
* domestic and foreign governmental regulations;
* the availability and cost of alternative fuel sources;
* the domestic and foreign supply of oil and natural gas;
* the price of foreign oil and natural gas;
* refining capacity;
* political conditions in oil and natural gas producing regions, including the Middle East; and
* overall economic conditions.

To counter this volatility we, from time to time, may enter into agreements to receive fixed prices on our oil and gas production to offset the risk of revenue losses if commodity prices decline; however, if commodity prices increase beyond the levels set in such agreements, we would not benefit from such increases.

Our business will depend on transportation facilities owned by others.

The marketability of our gas production will depend in part on the availability, proximity, and capacity of pipeline systems owned by third parties. Although we will have some contractual control over the transportation of our product, material changes in these business relationships could materially affect our operations. Federal and state regulation of oil and natural gas production and transportation, tax and energy policies, changes in supply and demand and general economic conditions could adversely affect our ability to produce, gather, and transport oil and natural gas.

Market conditions could cause us to incur losses on our transportation contracts.

Gas transportation contracts that we may enter into in the future may require us to transport minimum volumes of natural gas. If we ship smaller volumes, we may be liable for the shortfall. Unforeseen events, including production problems or substantial decreases in the price of natural gas, could cause us to ship less than the required volumes, resulting in losses on these contracts.

Estimating our reserves future net cash flows is difficult to do with any certainty.

There are numerous uncertainties inherent in estimating quantities of proved oil and natural gas reserves and their values, including many factors beyond our control. The reserve data included in this report represents only estimates. Reserve engineering is a subjective process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact manner. The accuracy of any reserve estimate is a function of the quality of available data, the precision of the engineering and geological interpretation, and judgment. As a result, estimates of different engineers often vary. The estimates of reserves, future cash flows, and present value are based on various assumptions, including those prescribed by the Securities and Exchange Commission, and are inherently imprecise. There is no assurance that our present oil and gas wells will continue to produce at current or anticipated rates of production, or that production rates achieved in early periods can be maintained. Actual future production, cash flows, taxes, operating expenses, and quantities of recoverable oil and natural gas reserves may vary substantially from our estimates. Also, the use of a 10% discount factor for reporting purposes may not necessarily represent the most appropriate discount factor, given actual interest rates and risks to which our business or the oil and natural gas industry in general are subject.

Quantities of proved reserves are estimated based on economic conditions, including oil and natural gas prices in existence at the date of assessment. A reduction in oil and natural gas prices not only would reduce the value of any proved reserves, but also might reduce the amount of oil and natural gas that could be economically produced, thereby reducing the quantity of reserves. Our reserves and future cash flows may be subject to revisions, based upon changes in economic conditions, including oil and natural gas prices, as well as due to production results, operating costs, and other factors. Downward revisions of our reserves could have an adverse affect on our financial condition and operating results.

Acquiring interests in other properties involves substantial risks.

We evaluate and acquire interests in oil and natural gas properties which in management's judgment will provide attractive investment opportunities for the addition of production and oil and gas reserves. To acquire producing properties or undeveloped exploratory acreage will require an assessment of a number of factors including:

* Value of the properties and likelihood of future production;
* Recoverable reserves;
* Operating costs;
* Potential environmental and other liabilities;
* Drilling and production difficulties; and
* Other factors beyond our control

Such assessments will necessarily be inexact and uncertain. Because of our limited financial resources, we may not be able to evaluate properties in a manner that is consistent with industry practices. Such reviews, therefore, may not reveal all existing or potential problems, nor will they permit us to become sufficiently familiar with such properties to assess fully the deficiencies or benefits.

Operational risks in our business are numerous and could materially impact us.

Oil and natural gas drilling and production activities are subject to many risks, including the risk that no commercially productive reservoirs will be encountered. We can make no assurance that wells in which we have an interest will be productive or that we will recover all or any portion of investment costs.

Our operations are also subject to hazards and risks inherent in drilling for and producing and transporting oil and natural gas, including, but not limited to, such hazards as:

* Fires;
* Explosions;
* Blowouts;
* Encountering formations with abnormal pressures;
* Spills
* Natural disasters;
* Pipeline ruptures;
* Cratering

If any of these events occur in our operations, we could experience substantial losses due to:

* injury or loss of life;
* severe damage to or destruction of property, natural resources and equipment;
* pollution or other environmental damage;
* clean-up responsibilities;
* regulatory investigation and penalties; and
* other losses resulting in suspension of our operations.

In accordance with customary industry practice, we maintain insurance against some, but not all, of the risks described above with a general liability limit of $1 million. We do not maintain insurance for damages arising out of exposure to radioactive material. Even in the case of risks against which we are insured, our policies are subject to limitations and exceptions that could cause us to be unprotected against some or all of the risk. The occurrence of an uninsured loss could have a material adverse effect on our financial condition or results of operations.

We must comply with environmental regulations.

Exploratory and other oil and natural gas wells must be operated in compliance with complex and changing environmental laws and regulations adopted by federal, state and local government authorities. The implementation of new, or the modification of existing, laws and regulations could have a material adverse affect on properties in which we may have an interest. Discharge of oil, natural gas, water, or other pollutants to the oil, soil, or water may give rise to significant liabilities to government and third parties and may require us to incur substantial cost of remediation. We may be required to agree to indemnify sellers of properties purchased against certain liabilities for environmental claims associated with those properties. We can give no assurance that existing environmental laws or regulations, as currently interpreted, or as they may be reinterpreted in the future, or future laws or regulations will not materially adversely affect our results of operations and financial conditions.

Environmental liabilities could adversely affect our business

In the event of a release of oil, natural gas, or other pollutants from our operations into the environment, we could incur liability for personal injuries, property damage, cleanup costs, and governmental fines. We could potentially discharge these materials into the environment in any of the following ways:

* from a well or drilling equipment at a drill site;
* leakage from gathering systems, pipelines, transportation facilities and storage tanks;
* damage to oil and natural gas wells resulting from accidents during normal operations; and
* blowouts, cratering, and explosions.

In addition, because we may acquire interests in properties that have been operated in the past by others, we may be liable for environmental damage, including historical contamination, caused by such former operators. Additional liabilities could also arise from continuing violations or contamination not discovered during our assessment of the acquired properties.

Competition in the oil and natural gas industry is intense, and we are smaller and have a more limited operating history than many of our competitors.

We compete with major integrated oil and gas companies and independent oil and gas companies in all areas of operation. In particular, we compete for property acquisitions and for the equipment and labor required to operate and develop these properties. Most of our competitors have substantially greater financial and other resources than we have. In addition, larger competitors may be able to absorb the burden of any changes in federal, state and local laws and regulations more easily than we can, which would adversely affect our competitive position. These competitors may be able to pay more for properties and may be able to define, evaluate, bid for, and purchase a greater number of properties and prospects than we can. Further, our competitors may have technological advantages and may be able to implement new technologies more rapidly than we can. Our ability to explore for natural gas and oil prospects and to acquire additional properties in the future will depend on our ability to conduct operations, to evaluate and select suitable properties and to consummate transactions in this highly competitive environment. In addition, most of our competitors have operated for a much longer time than we have and have demonstrated the ability to operate through industry cycles.

The oil and natural gas industry is highly competitive.

The oil and gas industry is highly competitive in all its phases. Competition is particularly intense with respect to the acquisition of desirable producing properties, the acquisition of oil and gas prospects suitable for enhanced production efforts, and the hiring of experienced personnel. Our competitors in oil and gas acquisition, development, and production include the major oil companies in addition to numerous independent oil and natural gas companies, individual proprietors and drilling programs.

Many of our competitors possess and employ financial and personnel resources far greater than those which are available to us. They may be able to pay more for desirable producing properties and prospects and to define, evaluate, bid for, and purchase a greater number of producing properties and prospects than we can. We must compete against these larger companies for suitable producing properties and prospects, to generate future oil and natural gas reserves.

Governmental regulations can hinder production.

Domestic oil and natural gas exploration, production and sales are extensively regulated at both the federal and state levels. Legislation affecting the oil and natural gas industry is under constant review for amendment or expansion, frequently increasing the regulatory burden. Also, numerous departments and agencies, both federal and state, have legal authority to issue, and have issued, rules and regulations affecting the oil and natural gas industry which often are difficult and costly to comply with and which carry substantial penalties for noncompliance. State statutes and regulations require permits for drilling operations, drilling bonds, and reports concerning operations. Most states where we operate also have statutes and regulations governing conservation matters, including the unitization or pooling of properties. Our operations are also subject to numerous laws and regulations governing plugging and abandonment, discharging materials into the environment or otherwise relating to environmental protection. The heavy regulatory burden on the oil and natural gas industry increases its costs of doing business and consequently affects its profitability. Changes in the laws, rules or regulations, or the interpretation thereof, could have a materially adverse effect on our financial condition or results of operation.

Minority or royalty interest purchases do not allow us to control production completely.

We sometimes acquire less than the controlling working interest in oil and natural gas properties. In such cases, it is likely that these properties would not be operated by us. When we do not have controlling interest, the operator or the other co-owners might take actions we do not agree with and possibly increase costs or reduce production income in ways we do not agree with.

Environmental regulations can hinder production.

Oil and natural gas activities can result in liability under federal, state and local environmental regulations for activities involving, among other things, water pollution and hazardous waste transport, storage, and disposal. Such liability can attach not only to the operator of record of the well, but also to other parties that may be deemed to be current or prior operators or owners of the wells or the equipment involved. We have inspections performed on our properties to assure environmental law compliance, but inspections may not always be performed on every well, and structural and environmental problems are not necessarily observable even when an inspection is undertaken.

Government regulations could increase our operating costs

Oil and natural gas operations are subject to extensive federal, state and local laws and regulations relating to the exploration for, and development, production and transportation of, oil and natural gas, as well as safety matters, which may changed from time to time in response to economic conditions. Matters subject to regulation by federal, state and local authorities include:

* Permits for drilling operations;
* The production and disposal of water;
* Reports concerning operations;
* Unitization and pooling of properties;
* Road and pipeline construction;
* The spacing of wells;
* Taxation;
* Production rates;
* The conservation of oil and natural gas; and
* Drilling bonds.

Many jurisdictions have at various times imposed limitations on the production of oil and natural gas by restricting the rate of flow for oil and natural gas wells below their actual capacity to produce. During the past few years there has been a significant amount of discussion by legislators and the presidential administration concerning a variety of energy tax proposals. There can be no certainty that any such measure will be passed or what its effect will be on oil and natural gas prices if it is passed. In addition, many states have raised state taxes on energy sources and additional increases may occur, although there can be no certainty of the effect that increases in state energy taxes would have on oil and natural gas prices. Although we believe it is in substantial compliance with applicable environmental and other government laws and regulations, there can be no assurance that significant costs for compliance will not be incurred in the future.

ITEM 1B. – UNRESOLVED STAFF COMMENTS.

None.

ITEM 2-PROPERTIES

Principal Oil and Natural Gas Interests

Block A-49 and Block 6 Field, Andrews County, Texas is a producing oil field located in Andrews, Texas. The Company owns a 74%-100% working interest in five producing oil wells and three injection wells producing out of the Devonian and Ellenburger formations at an approximate depth of 7,000 to 9,000 feet.

South Vacuum Field, Lea County, New Mexico is a producing natural gas field located outside of Hobbs, New Mexico. The Company owns a 25%-50% working interest in three producing gas wells producing out of the McKee formation at a depth of approximately 11,600 feet.

Spraberry Trend, Midland County, Texas is a producing oil and natural gas field located 6 miles east of Midland, Texas. The Company owns a 6% to 15% working interest in five oil and natural gas wells producing out of the Spraberry formation at a depth of approximately 7,000 feet.

Flying M Field, Lea County, New Mexico is a producing oil and natural gas field located outside of Hobbs, New Mexico. The Company owns a 39.25% working interest in two oil and natural gas wells producing out of the ABO formation at a depth of approximately 8,300 feet.

Sulimar Field, Chaves County, New Mexico is a producing oil field located 35 miles north east of Artesia, New Mexico. The Company has a 100% working interest in one oil well producing out of the Queen formation at a depth of approximately 1,800 feet.

Apache Field, Caddo County, Oklahoma is a waterflood project producing from the Viola/Bromide formation. The Apache Bromide Unit is located approximately 5 miles west of the town of Apache and 25 miles north of Lawton, Oklahoma. The Company has a 25.23% working interest in the unit which consists of 11 producing oil wells and nine water injection wells.

North Bilbrey Field, Lea County, New Mexico is a producing natural gas field located outside of Hobbs, New Mexico. The Company owns a 50% working interest in the North Bilbrey #7 federal well producing out of the Atoka formation at approximately 13,000 feet.

Longwood Field, Caddo Parish, Louisiana is a producing natural gas field located north of Greenwood, Louisiana. The Company owns a 12.22% working interest in two natural gas wells producing out of the Cotton Valley formation at a depth of approximately 7,800 feet.

Lusk Field, Lea County, New Mexico is a producing oil and natural gas field located outside of Hobbs, New Mexico. The Company owns an 87.5%-100% working interest in two oil and natural gas wells producing out of the Bonesprings and Yates formations at depth ranging from approximately 3,400 feet to approximately 10,000 feet and a 14.06% working interest in one natural gas well producing out of the Morrow formation. The Company also owns an 87.5% working interest in one water disposal well.

Loving North Morrow Field, Eddy County, New Mexico is a producing natural gas field located 2 miles west of Loving, New Mexico and 12 miles south east of Carlsbad, New Mexico. The Company owns a 4.3% - 12% working interest in three natural gas wells producing out of the Morrow formation from a depth of approximately 12,300 feet to 12,450 feet.

Chickasha Field, Grady County, Oklahoma is a waterflood project producing from the Medrano Sand. The Rush Springs Medrano Unit is located approximately 65 miles southwest of Oklahoma City, Oklahoma. The Company has a 20.64% working interest in the unit which consists of 21 producing oil and natural gas wells and 11 water injection wells.

Hutt Wilcox Field, McMullen and Atascosa Counties, Texas is an oil and natural gas field located approximately 60 miles south of San Antonio, Texas producing from the Wilcox sand. The Company has a working interest in 14 oil wells.

West Allen Field, Pontotoc County, Oklahoma is a producing oil and natural gas field located approximately 100 miles south of Oklahoma City, Oklahoma. The Company has a working interest in 52 leases or a total of 224 wells, the leases have multiple wellbores and the Company has plans to participate in the future recompletion of behind pipe zones.

Giddings Field, Fayette County, Texas is in the Austin Chalk field located in various counties surrounding the city of Giddings, Texas. In February 1998, the Company acquired a 97% working interest in the Shade lease. The lease currently has three producing oil and natural gas wells with a daily production rate of approximately 120 Mcfe net to the Company. Oil and natural gas are produced from the Austin chalk formation. The Company will evaluate whether additional reserves can be developed by use of horizontal well technology.

Big Muddy Field, Converse County, Wyoming is a producing oilfield located approximately 30 miles south of Casper, Wyoming. The Company owns a 100% working interest in the Elkhorn and J.C. Kinney lease which consists of three oil wells producing out of the Wallcreek and Dakota formations at depths ranging from approximately 3,200 feet to approximately 4,000 feet.

Whisler Field, Campbell County, Wyoming is a producing oilfield located approximately 15 miles north east of Gillette, Wyoming. FieldPoint Petroleum owns a 20% working interest in the Whisler Unit which consists of two wells producing out of the Minnelusa formation at depth of approximately 8,340 feet to 8,400 feet.

Serbin Field, Lee and Bastrop Counties Texas is an oil and natural gas field located approximately 50 miles east of Austin and 100 miles west of Houston. The Company has a working interest in 72 producing oil and natural gas wells. Oil and natural gas are produced from the Taylor Sand at depths ranging from approximately 5,300 feet to approximately 5,600 feet; it is a 46-gravity oil sand.

Tuleta West Field, Bee County Texas, is a natural gas field located North of Corpus Christi, Texas. The Company owns a 5% working interest in one natural gas well producing from the Wilcox formation at a depth of approximately 12,000 feet.

Production

The table below sets forth oil and natural gas production from the Company's net interest in producing properties for each of its last two fiscal years.

Production by State		Oil (bbl) 2009	Oil (bbl) 2008	Gas (mcf) 2009	Gas (mcf) 2008
Louisiana		47	78	11,454	12,951
New Mexico		12,301	9,407	88,942	62,641
Oklahoma		27,960	31,325	16,942	22,515
Texas		13,518	8,101	43,863	36,876
Wyoming		5,231	6,642	-	-
	TOTAL	59,057	55,553	161,201	134,983

The Company's oil and natural gas production is sold on the spot market and the Company does not have any production that is subject to firm commitment contracts. During the year ended December 31, 2009, purchases by each of five customers, Ram Energy Resources, Inc., Encore Acquisition Co., Sunoco, Teppco Apache and Nadel Gussman represented more than 10% of total Company revenues. During the year end December 31, 2008, purchases by five customers, Dorado Oil Co., Ram Energy Resources, Inc., Encore Acquisition Co., ConocoPhillips, and Quantum represented more than 10% of total Company revenues. None of these customers, or any other customers of the Company, has a firm sales agreement with the Company. The Company believes that it would be able to locate alternate customers in the event of the loss of one or all of these customers.

Productive Wells

The table below sets forth certain information regarding the Company's ownership, as of December 31, 2009, of productive wells in the areas indicated.

Productive Wells

State	Oil Gross[(1)]	Oil Net[(2)]	Gas Gross[(1)]	Gas Net[(2)]
Louisiana	-	-	2	.24
New Mexico	6	2.19	7	2.31
Oklahoma	219	51.13	37	4.59
Texas	92	35.67	8	4.15
Wyoming	5	3.01	-	-
Total	322	92.00	54	11.29

[1] A gross well or acre is a well or acre in which a working interest is owned. The number of gross wells is the total number of wells in which a working interest is owned. The number of gross acres is the total number of acres in which a working interest is owned.
[2] A net well or acre is deemed to exist when the sum of fractional ownership working interests in gross wells or acres equals one. The number of net wells or acres is the sum of the fractional working interests owned in gross wells or acres expressed as whole numbers and fractions thereof.

Drilling Activity

The tables below set forth certain information regarding the number of productive and dry exploratory and development wells drilled for the fiscal year ended December 31, 2008. The Company drilled one successful well in fiscal year 2008, the Stauss #1 well in Texas and drilled no wells in 2009.

	Exploratory Wells		Development Wells	
State	Productive	Dry	Productive	Dry
Louisiana	--	--	--	--
New Mexico	--	--	--	--
Oklahoma	--	--	--	--
Texas	--	--	1	--
Wyoming	--	--	--	--
Total	--	--	1	--

Reserves

Proved Reserves Reporting

On December 31, 2008, the Securities and Exchange Commission, or the SEC, released a Final Rule, *Modernization of Oil and Gas Reporting* , approving revisions designed to modernize oil and gas reserve reporting requirements. The new reserve rules are effective for our financial statements for the year ended December 31, 2009 and our 2009 year-end proved reserve estimates. The most significant revisions to the reporting requirements include:

- *Commodity prices.* Economic producibility of reserves is now based on the unweighted, arithmetic average of the closing price on the first day of the month for the 12-month period prior to fiscal year end, unless prices are defined by contractual arrangements;

- *Undeveloped oil and gas reserves.* Reserves may be classified as "proved undeveloped" for undrilled areas beyond one offsetting drilling unit from a producing well if there is reasonable certainty that the quantities will be recovered;

- *Reliable technology.* The rules now permit the use of new technologies to establish the reasonable certainty of proved reserves if those technologies have been demonstrated empirically to lead to reliable conclusions about reserves volumes;

- *Unproved reserves.* Probable and possible reserves may be disclosed separately on a voluntary basis;

- *Preparation of reserves estimates.* Disclosure is required regarding the internal controls used to assure objectivity in the reserves estimation process and the qualifications of the technical person primarily responsible for preparing reserves estimates; and

- *Third party reports.* We are now required to file the report of any third party used to prepare or audit reserves our estimates.

We adopted the rules effective December 31, 2009, as required by the SEC.

Estimated Proved Reserves/Developed and Undeveloped Reserves: The following tables set forth the estimated proved developed and proved undeveloped oil and gas reserves of FieldPoint for the years ended December 31, 2009 and 2008. See Notes 10 and 11 to the Consolidated Financial Statements and the following discussion.

Estimated Proved Reserves

Proved Reserves	Oil (Bbls)	Gas (Mcf)
Estimated quantity, January 1, 2008	885,249	2,743,261
Revisions of previous estimates	(10,483)	(678,627)
Extensions and discoveries	70	78,230
Purchase of minerals in place	117,476	378,142
Production	(55,553)	(134,983)
Estimated quantity, December 31, 2008	936,759	2,386,023
Revisions of previous estimates	63,461	22,295
Extensions and discoveries	47,470	94,930
Purchase of minerals in place	214,550	1,116,660
Production	(59,057)	(161,201)
Estimated quantity, December 31, 2009	1,203,183	3,458,707

Proved Developed and Undeveloped Reserves

	Developed	Undeveloped	Total
Oil (Bbls)			
December 31, 2009	940,959	262,224	1,203,183
December 31, 2008	713,984	222,775	936,759

Gas (Mcf)			
December 31, 2009	2,740,721	717,986	3,458,707
December 31, 2008	1,802,767	583,256	2,386,023

Effect of New Proved Reserves Reporting Requirements

The new reserve rules resulted in the use of lower prices for natural gas, oil and NGLs than would have resulted under the previous reporting requirements. Under the new reserve rules, our estimated proved reserves increased by 445,205 barrels of oil equivalent ("BOE"). Under the previous reserve rules, our estimated total proved reserves would have increased by 587,983 BOE. Therefore, the effect of the new reserve rules was a negative revision of 142,778 BOE.

The new reserve rules limit the recording and maintaining of proved undeveloped reserves locations to those scheduled to be drilled within the next five years, unless the specific circumstances justify a longer time. This new reserve rules did not affect our estimates of proved reserves.

Preparation of Proved Reserves Estimates

Internal Controls Over Preparation of Proved Reserves Estimates

Our policies regarding internal controls over the recording of reserve estimates require reserve estimates to be in compliance with SEC rules, regulations and guidance and prepared in accordance with generally accepted petroleum engineering principles. Our proved oil and natural gas reserves as of December 31, 2009 have been estimated by Fletcher Lewis Engineering, Inc., and PGH Engineers and as of December 31, 2008 have been estimated by Fletcher Lewis Engineering, Inc. and Lonquist and Co LLC, consulting petroleum engineers. These independent consultants are responsible for overseeing the preparation of our reserve estimates and for internal compliance of our reserve estimates with SEC rules, regulations and generally accepted petroleum engineering principles. As defined in the Securities and Exchange Commission Rules, proved reserves are the estimated quantities of oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Prices include considerations of changes in existing prices provided only by contractual arrangements but not on escalations based on future conditions. Reservoirs are considered proved if economic production is supported by either actual production or conclusive formation tests. Reserves which can be produced economically through application of improved recovery techniques, such as fluid injections, are included in the "proved" classification when successful testing by a pilot project, or the operations of an installed program in the reservoir, provide support for the engineering analysis on which the project or program was based. Due to the inherent uncertainties and the limited nature of reservoir data, such estimates are subject to change as additional information becomes available. The reserves actually recovered and the timing of production of these reserves may be substantially different from the original estimate. Revisions result primarily from new information obtained from development drilling and production history and from changes in economic factors.

For information concerning the standardized measure of discounted future net cash flows, estimated future net cash flows and present values of such cash flows attributable to our proved oil and gas reserves as well as other reserve information, see Note 11 to the Consolidated Financial Statements.

Technologies Used in Preparation of Proved Reserves Estimates

Estimates of reserves were prepared by the use of standard geological and engineering methods generally accepted by the petroleum industry. The method or combination of methods used in the analysis of each reservoir was tempered by experience with similar reservoirs, stage of development, quality and completeness of basic data and production history.

When applicable, the volumetric method was used to estimate the original oil in place, or OOIP, and the original gas in place, or OGIP. Structure and isopach maps were constructed to estimate reservoir volume. Electrical logs, radioactivity logs, core analyses and other available data were used to prepare these maps as well as to estimate representative values for porosity and water saturation. When adequate data were available and when circumstances justified, material balance and other engineering methods were used to estimate OOIP or OGIP.

Estimates of ultimate recovery were obtained after applying recovery factors to OOIP or OGIP. These recovery factors were based on consideration of the type of energy inherent in the reservoirs, analyses of the petroleum, the structural positions of the properties and the production histories. When applicable, material balance and other engineering methods were used to estimate recovery factors. An analysis of reservoir performance, including production rate, reservoir pressure and gas-oil ratio behavior, was used in the estimation of reserves.

Because our proved reserves are located in depletion-type reservoirs and reservoirs whose performance demonstrates a reliable decline in producing-rate trends, reserves were also estimated by the application of appropriate decline curves or other performance relationships. In the analyses of production-declining curves, reserves were estimated only to the limits of economic production or to the limit of the production licenses or leases as appropriate.

Reserves Sensitivity Analysis

As permitted by the recently adopted SEC regulations, we have elected not to undertake a sensitivity analysis of our reserves estimates.

Oil and Gas Reserves Reported to Other Agencies: We did not file any estimates of total proved net oil or gas reserves with, or include such information in reports to, any federal authority or agency during the fiscal year ended December 31, 2009, or subsequently thereafter.

Title Examinations: Oil and Gas: As is customary in the oil and gas industry, we perform only a perfunctory title examination at the time of acquisition of undeveloped properties. Prior to the commencement of drilling, in most cases, and in any event where we are the Operator, a thorough title examination is conducted and significant defects remedied before proceeding with operations. We believe that the title to our properties is generally acceptable to a reasonably prudent operator in the oil and gas industry. The properties we own are subject to royalty, overriding royalty and other interests customary in the industry, liens incidental to operating agreements, current taxes and other burdens, minor encumbrances, easements and restrictions. We do not believe that any of these burdens materially detract from the value of the properties or will materially interfere with our business.

We have purchased producing properties on which no updated title opinion was prepared. In some, but not all, cases, we have retained third party certified petroleum landmen to review title.

Acreage

The following tables set forth the gross and net acres of developed and undeveloped oil and natural gas leases in which the Company had working interest and royalty interest as of December 31, 2009. The category of "Undeveloped Acreage" in the table includes leasehold interest that already may have been classified as containing proved undeveloped reserves.

	Developed		Undeveloped	
State	**Gross [(1)]**	**Net [(2)]**	**Gross [(1)]**	**Net [(2)]**
Louisiana	320	78	-	-
New Mexico	2,240	820	3,120	970
North Dakota	-	-	800	672
Oklahoma	8,826	1,300	200	19
Texas	3,343	1,201	1,360	1,000
Wyoming	560	268	2,306	1,880
Total	15,289	3,667	7,786	4,541

[1] A gross well or acre is a well or acre in which a working interest is owned. The number of gross wells is the total number of wells in which a working interest is owned. The number of gross acres is the total number of acres in which a working interest is owned.
[2] A net well or acre is deemed to exist when the sum of fractional ownership working interests in gross wells or acres equals one. The number of net wells or acres is the sum of the fractional working interests owned in gross wells or acres expressed as whole numbers and fractions thereof.

ITEM 3-LEGAL PROCEEDINGS

None.

ITEM 4-SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II

ITEM 5-MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Since September 20, 2005 the Company's common stock has been traded and listed on the NYSE Amex, formerly the NYSE Alternext and formerly the American Stock Exchange, under the symbol "FPP." Prior to September 20, 2005, the Company's common stock was listed on the OTC bulletin board under the symbol FPPC. The following quotations, where quotes were available, reflect inter-dealer prices, without retail mark-up, markdown or commission and may not necessarily represent actual transactions.

FISCAL 2008	CLOSING BID	
	HIGH	LOW
First Quarter	1.39	.88
Second Quarter	7.29	1.07
Third Quarter	6.03	2.00
Fourth Quarter	2.55	1.40
FISCAL 2009		
	HIGH	LOW
First Quarter	3.18	1.18
Second Quarter	2.62	1.46
Third Quarter	2.70	1.59
Fourth Quarter	2.65	1.88

At March 30, 2010, the approximate number of shareholders of record was 405. The Company has not paid any dividends on its common stock and does not expect to do so in the foreseeable future.

Recent Sales of Unregistered Securities

Issuer Purchases of Equity Securities

Period	(a) Total number of shares (or units) purchased	(b) Average price paid per share (or unit)	(c) Total number of shares (or units) purchased as part of publicly announced plans or programs	(d) Maximum number (or approximate dollar value) of shares (or units) that may yet be purchased under the plans or programs
June 01, 2009 to December 31, 2009	176,000	$2.19	176,000	$385,228
January 2, 2010 to February 3, 2010	50,000	$2.37	50,000	$118,536
Total	226,000		226,000	$503,764

In its Current Report on Form 8-K dated May 18, 2009, the Company announced its stock buy-back program. Under the program, the Company was authorized to purchase shares of its common stock for an aggregate amount not exceeding $250,000. Again on November 20, 2009, the Board of Directors authorized the Company to repurchase additional shares of its common stock at an aggregate cost not to exceed $250,000. Stock purchases were made from time to time in the open market or in privately-negotiated transactions, if and when management determines to effect purchases. All stock repurchases were subject to the requirements of Rule 10b-18 under the Exchange Act.

EQUITY COMPENSATION PLAN INFORMATION

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuances under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	-	-	-
Equity compensation plans not approved by security holders	-	-	-
Total	-	-	-

ITEM 6 SELECTED FINANCIAL DATA

We have set forth below certain selected financial data. The information has been derived from the financial statements, financial information and notes thereto included elsewhere in this report.

	Years Ended December 31,	
	2009	2008
Statements of Operations Data:		
Total revenues	$ 3,910,043	$ 6,593,299
Operating expenses	3,867,000	5,492,926
Net income	1,235	590,391
Basic earnings per share	$ 0.00	$ 0.07
Shares used in computing basic earnings per share	8,503,693	8,608,305
Diluted earnings per share	$ 0.00	$ 0.07
Shares used in computing diluted earnings per share	8,503,693	8,608,305

	December 31,	
Balance Sheet Data:	2009	2008
Working capital	$ 1,251,517	$ 1,388,981
Total assets	18,184,311	12,792,802
Total liabilities	9,509,230	3,733,728
Stockholders' equity	8,675,081	9,059,074

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion should be read in conjunction with the Company's Financial Statements, and respective notes thereto, included elsewhere herein. The information below should not be construed to imply that the results discussed herein will necessarily continue into the future or that any conclusion reached herein will necessarily be indicative of actual operating results in the future. Such discussion represents only the best present assessment of the management of FieldPoint Petroleum Corporation.

Overview

FieldPoint Petroleum Corporation derives its revenues from its operating activities including sales of oil and natural gas and operating oil and natural gas properties. The Company's capital for investment in producing oil and natural gas properties has been provided by cash flow from operating activities and from bank financing. The Company categorizes its operating expenses into the categories of production expenses and other expenses.

Results of Operations

	Years Ended December 31,	
	2009	2008
Revenues:		
Oil sales	$ 3,194,281	$ 5,396,627
Natural gas sales	623,497	1,067,610
Total	$ 3,817,778	$ 6,464,237
Sales volumes:		
Oil (Bbls)	59,057	55,553
Natural gas (Mcf)	161,201	134,983
Total (BOE)	85,924	78,050
Average sales prices		
Oil ($/Bbl)	$ 54.09	$ 97.14
Natural gas ($/Mcf)	3.87	7.91
Total ($/BOE)	$ 44.43	$ 82.82
Costs and expenses ($/BOE)		
Lease operating	$ 17.69	$ 23.82
Production taxes	3.35	6.05
Depletion and depreciation	10.22	14.81
Impairment of oil and natural gas properties	-	15.65
Accretion of discount on asset retirement obligations	0.68	0.56
General and administrative	13.07	9.49
Total	$ 45.01	$ 70.38

Revenues
Oil and natural gas sales revenues decreased by $2,646,459 or 41%, primarily due to decreases in oil sales of $2,202,346. Oil sales decreased due to lower prices realized during 2009 offset by increased volumes. Lower prices contributed $2,543,000 to the decrease in oil sales revenues, but increased production offset the decrease by $341,000. Oil sales volumes increased by 6% primarily resulting from the acquisitions of the South Vacuum Field and Block Field consummated in 2009. Natural gas sales decreased $444,113 or 42% due primarily to lower prices realized during 2009, offset by higher production resulting from the South Vacuum Field. Oil and natural gas prices have been volatile during 2009 and the Company expects this to continue. FieldPoint's oil and natural gas sales revenue will be highly dependent on commodity prices in 2010.

Lease Operating Expenses
Lease operating expenses decreased by $338,898 or 18% due to a combination of decreased costs and increased sales volumes. Costs decreased by $6.13 per barrel equivalent (BOE) or 26% due primarily to fewer repair and maintenance workovers incurred in 2009 as compared to 2008. Many of FieldPoint's properties are mature and bear high operating expense. Decreased costs per equivalent unit contributed approximately $527,000 of the decrease in lease operating expense while increased sales volumes contributed offset approximately $188,000 of the decrease.

Production Taxes
Production taxes decreased $184,101 or 39%, primarily the result of decreased oil and natural gas sales revenues as discussed above. Production taxes amounted to approximately 7.5% of oil and natural gas sales revenue during both 2009 and 2008. Management expects production taxes to range between 6.5% and 7.5% of oil and natural gas sales revenue.

Depletion and Depreciation
Depletion and depreciation expense decreased by $277,237 or 24%. The decrease in depletion and depreciation was primarily due to a higher reserve base and impairment of properties in 2008 offset by the 2009 acquisitions.

Impairment of Oil and Natural Gas Properties
The Company had no impairment charges in 2009. Impairment recorded during 2008 was primarily the result of lower year-end commodity prices. The impairments in 2008 related primarily to properties acquired during 2007.

General and Administrative Expense
General and administrative expenses increased $382,085 or 52%. This increase was primarily due to additional expenses of approximately $252,000 in professional and other services which related to 2009 acquisitions. Significant components of general and administrative expenses include personnel-related costs and professional services fees. During 2009, there were increases in personnel related costs of approximately $90,000 and professional services of approximately $63,000. Management expects FieldPoint's general and administrative expenses to remain relatively comparable between years.

Other Income (Expense)
The most significant components of other income and expense are interest expense and realized gain or loss on short-term investments. Interest expense decreased by $28,029, or 18%, due primarily to lower interest rates under the line of credit during 2009 as compared to 2008. The Company borrowed approximately $5.1 million during 2009 to fund acquisitions. During 2008, FieldPoint repaid approximately $1.8 million of those amounts and accordingly management expects interest expense to

increase in 2010. Short-term investments include certificates of deposit and investments in mutual funds. The Company sold their investment in mutual funds in 2009 and recognized a gain of $73,463.

Liquidity and Capital Resources

Cash flow provided by operating activities was approximately $1.4 million for the year ended December 31, 2009, compared to $3.0 million for the year ended December 31, 2008. The decrease in cash flow from operating activities was primarily due to the decrease in the results of oil and natural gas operations.

During 2009, FieldPoint used its operating cash flow along with cash on hand to fund $5.9 million of acquisition and development of oil and natural gas properties, to repay $55,000 of amounts outstanding under the Company's revolving line of credit, and to repurchase an aggregate of 176,000 shares of FieldPoint common stock for a total purchase price of $385,228. The repurchases were undertaken pursuant to a stock buy-back program approved by the Board of Directors. Management continuously searches for opportunities to make cost-effective acquisitions of oil and natural gas properties. Further, management evaluates the market price and trading volume of FieldPoint's common stock and may repurchase shares if capital is available and management believes that such repurchase would be advantageous to the Company and its stockholders.

Capital Requirements

Management believes the Company will be able to meet its current operating needs through internally generated cash from operations and borrowings under the Company's revolving credit facility. As of December 31, 2009, the Company had working capital of approximately $1.3 million and minimal borrowing capacity under its line of credit based on a borrowing base of $6.8 million. The borrowing base is subject to redetermination based on the value of proved reserves, and could be increased during 2010.

Although the Company had no significant commitments for capital expenditures at December 31, 2009, management anticipates continued investments in oil and natural gas properties during 2010. If bank credit is not available, FieldPoint may not be able to continue to invest in strategic oil and natural gas properties. Management cannot predict how oil and natural gas prices will fluctuate during 2010 and what effect they will ultimately have on the Company, but management believes that the Company will be able to generate sufficient cash from operations to service its bank debt and provide for maintaining current production of its oil and natural gas properties. The timing of most capital expenditures is relatively discretionary. Therefore, the Company can plan expenditures to coincide with available funds in order to minimize business risks.

Contractual Obligations and Commitments

We have contractual obligations and commitments that affect our consolidated results of operations, financial condition and liquidity. The following table is a summary of our significant cash contractual obligations:

	Obligation Due in Period						
Cash Contractual Obligations	2010	2011	2012	2013	2014	Thereafter	Total
			(in thousands)				
Credit facility (secured)	$ -	$ -	$ 6,745	$ -	$ -	$ -	$ 6,745
Interest on credit facility	270	270	236	-	-	-	776
Total	$ 270	$ 270	$ 6,981	$ -	-	$ -	$ 7,521

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We periodically enter into certain commodity price risk management transactions to manage our exposure to oil and natural gas price volatility. These transactions may take the form of futures contracts, swaps or options. All data relating to our derivative positions is presented in accordance with requirements of SFAS No. 133, which we adopted on January 1, 2001. Accordingly, unrealized gains and losses related to the change in fair market value of derivative contracts that qualify and are designated as cash flow hedges are recorded as other comprehensive income or loss and such amounts are reclassified to oil and natural gas sales revenues as the associated production occurs. Derivative contracts that do not qualify for hedge accounting treatment are recorded as derivative assets and liabilities at market value in the consolidated balance sheet, and the associated unrealized gains and losses are recorded as current expense or income in the consolidated statement of operations. While such derivative contracts do not qualify for hedge accounting, management believes these contracts can be utilized as an effective component of commodity price risk management activities. At December 31, 2009 and December 31, 2008, there were no open positions. We did not have any derivative transactions during 2009 or 2008.

Critical Accounting Policies and Estimates

Our accounting policies are described in Note 1 of Notes to Consolidated Financial Statements in Item 8. We prepare our Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which require us 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 revenues and expenses during the year. Actual results could differ from those estimates. We consider the following policies to be most critical in understanding the judgments that are involved in preparing our financial statements and the uncertainties that could impact our results of operations, financial condition and cash flows.

Successful Efforts Method of Accounting

We account for our exploration and development activities utilizing the successful efforts method of accounting. Under this method, costs of productive exploratory wells, development dry holes and productive wells and undeveloped leases are capitalized. Oil and natural gas lease acquisition costs are also capitalized. Exploration costs, including personnel costs, certain geological and geophysical expenses and delay rentals for oil and natural gas leases, are charged to expense as incurred. Exploratory drilling costs are initially capitalized, but charged to expense if and when the well is determined not to have found reserves in commercial quantities. The sale of a partial interest in a proved property is accounted for as a cost recovery and no gain or loss is recognized as long as this treatment does not significantly affect the unit-of-production amortization rate. A gain or loss is recognized for all other sales of producing properties.

The application of the successful efforts method of accounting requires managerial judgment to determine the proper classification of wells designated as developmental or exploratory which will ultimately determine the proper accounting treatment of the costs incurred. The results from a drilling operation can take considerable time to analyze and the determination that commercial reserves have been discovered requires both judgment and industry experience. Wells may be completed that are assumed to be productive and actually deliver oil and natural gas in quantities insufficient to be economic, which may result in the abandonment of the wells at a later date. The evaluation of oil and natural gas leasehold acquisition costs requires managerial judgment to estimate the fair value of these costs with reference to drilling activity in a given area.

The successful efforts method of accounting can have a significant impact on the operational results reported when we enter a new exploratory area in hopes of finding an oil and natural gas field that will be the focus of future developmental drilling activity. The initial exploratory wells may be unsuccessful and will be expensed. Seismic costs can be substantial which will result in additional exploration expenses when incurred.

Reserve Estimates

The preparation of our reserves estimates have been impacted by the new SEC regulations that became effective January 1, 2010. Estimates of oil and natural gas reserves, by necessity, are projections based on geologic and engineering data, and there are uncertainties inherent in the interpretation of such data as well as the projection of future rates of production and the timing of development expenditures. Reserve engineering is a subjective process of estimating underground accumulations of oil and natural gas that are difficult to measure. The accuracy of any reserve estimate is a function of the quality of available data, engineering and geological interpretation and judgment. Estimates of economically recoverable oil and natural gas reserves and future net cash flows necessarily depend upon a number of variable factors and assumptions, such as historical production from the area compared with production from other producing areas, the assumed effects of regulations by governmental agencies and assumptions governing future oil and natural gas prices, future operating costs, severance taxes, development costs and workover costs, all of which may in fact vary considerably from actual results. The future drilling costs associated with reserves assigned to proved undeveloped locations may ultimately increase to an extent that these reserves may be later determined to be uneconomic. For these reasons, estimates of the economically recoverable quantities of oil and natural gas attributable to any particular group of properties, classifications of such reserves based on risk of recovery, and estimates of the future net cash flows expected therefrom may vary substantially. Any significant variance in the assumptions could materially affect the estimated quantity and value of the reserves, which could affect the carrying value of our oil and natural gas properties and/or the rate of depletion of the oil and natural gas properties. Actual production, revenues and expenditures with respect to our reserves will likely vary from estimates, and such variances may be material.

Impairment of Oil and Natural Gas Properties

We review our oil and natural gas properties for impairment whenever events and circumstances indicate a decline in the recoverability of their carrying value. We estimate the expected future cash flows of our oil and natural gas properties and compare such future cash flows to the carrying amount of our oil and natural gas properties to determine if the carrying amount is recoverable. If the carrying amount exceeds the estimated undiscounted future cash flows, we will adjust the carrying amount of the oil and natural gas properties to their fair value. The factors used to determine fair value include, but are not limited to, estimates of proved reserves, commodity pricing, future production estimates, anticipated capital expenditures, and a discount rate commensurate with the risk associated with realizing the expected cash flows projected. There were no impairments of oil and natural gas properties in 2009 and $1,221,775 in impairments of oil and natural gas properties during.

Reporting Requirements

Because our common stock is publicly traded, we are subject to certain rules and regulations of federal, state and financial market exchange entities charges with the protection of investors and the oversight of companies whose securities are publicly traded. These entities, including the SEC and the NYSE Amex, have recently issued new requirements and regulations and are currently developing additional regulations and requirements in response to recent laws, enacted by Congress, most notably the Sarbanes-Oxley Act 2002 and the new SEC reporting regulations which became effective January 1, 2010. Our compliance with current and proposed rules requires the commitment of significant managerial resources. We conclude that our internal control over financial reporting was effective as of December 31, 2009.

Recently Issued Accounting Pronouncements

In June 2009, Financial Accounting Standards Board ("FASB") established, with the effect from July 1, 2009, the FASB Accounting Standards Codification ("ASC") as the source of authoritative U.S. GAAP recognized by the FASB to be applied by nongovernmental entities. Rules and interpretive releases of the SEC under authority of federal securities laws are also sources of authoritative U.S. GAAP for SEC registrants. We adopted the Codification beginning July 1, 2009 and, while it impacts the way we refer to accounting pronouncements in our disclosures; it had no effect on our financial position, results of operations or cash flows upon adoption.

On January 1, 2009, we adopted FASB ASC 805, *Business Combinations*, which replaces SFAS No. 141, Business Combinations, and requires an acquirer to recognize the assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree at the acquisition date, measured at their fair values as of that date, with limited exceptions. ASC 805 also requires the acquirer in a business combination achieved in stages to recognize the identifiable assets and liabilities, as well as the noncontrolling interest in the acquiree, at the full amounts of their fair values. Additionally, ASC 805 requires acquisition related costs to be expensed in the period in which the costs were incurred and the services are received instead of including such costs as part of the acquisition price. ASC 805 makes various other amendments to authoritative literature intended to provide additional guidance or to confirm the guidance in that literature to that provided in ASC 805. Our acquisitions of the South Vacuum and Block properties were recorded in accordance with ASC 805. See Note 2.

In April 2009, the FASB issued ASC 855, *Subsequent Events*. ASC 855 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or available to be issued. We adopted ASC 855 for the quarter ending June 30, 2009. The adoption of ASC 855 did not have a material impact on our financial statements.

On December 31, 2008, the Securities and Exchange Commission the "SEC") released a Final Rule, *Modernization of Oil and Gas Reporting*, approving revisions designed to modernize oil and gas reserve reporting requirements. The new reserve rules are effective for our financial statements for the year ended December 31, 2009 and our 2009 year-end proved reserve estimates. See Note 11 to our consolidated financial statements for additional disclosures. The most significant revisions to the reporting requirements include:

- *Commodity prices*. Economic producibility of reserves is now based on the unweighted, arithmetic average of the closing price on the first day of the month for the 12-month period prior to fiscal year end, unless prices are defined by contractual arrangements;

- *Undeveloped oil and gas reserves*. Reserves may be classified as "proved undeveloped" for undrilled areas beyond one offsetting drilling unit from a producing well if there is reasonable certainty that the quantities will be recovered;

- *Reliable technology*. The rules now permit the use of new technologies to establish the reasonable certainty of proved reserves if those technologies have been demonstrated empirically to lead to reliable conclusions about reserves volumes;

- *Unproved reserves*. Probable and possible reserves may be disclosed separately on a voluntary basis;

- *Preparation of reserves estimates*. Disclosure is required regarding the internal controls used to assure objectivity in the reserves estimation process and the qualifications of the technical person primarily responsible for preparing reserves estimates; and

- *Third-party reports*. We are now required to file the report of any third party used to prepare or audit our reserves or estimates.

In addition, in January 2010, FASB issued Account Standards Update (the "Update") 2010-03, *Oil and Gas Reserve Estimation and Disclosures*, to provide consistency with the new reserve rules. The Update amends existing standards to align the reserves calculation and disclosure requirements under GAAP with the requirements in the SEC's reserve rules. We adopted the new standards effective December 31, 2009. The new standards are applied prospectively as a change in estimate.

The new reserve rules resulted in the use of lower prices for natural gas, oil and NGLs than would have resulted under the previous reporting requirements. Under the new reserve rules, our estimated proved reserves increased by 445,205 barrels of oil equivalent ("BOE"). Under the previous reserve rules, our estimated total proved reserves would have increased by 587,983 BOE. Therefore, the effect of the new reserve rules was a negative revision of 142,778 BOE.

ITEM 8 FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Index to Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
FieldPoint Petroleum Corporation and Subsidiaries
Cedar Park, Texas

We have audited the accompanying consolidated balance sheets of FieldPoint Petroleum Corporation and subsidiaries (the "Company") as of December 31, 2009 and 2008, and the related consolidated statements of operations, changes in stockholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FieldPoint Petroleum Corporation and subsidiaries as of December 31, 2009 and 2008, and the results of their operations and their cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

We were not engaged to examine management's assertion about the effectiveness of the Company's internal control over financial reporting as of December 31, 2009, included in the accompanying Management's Report on Internal Control over Financial Reporting and, accordingly, we do not express an opinion thereon.

/S/***HEIN** & ASSOCIATES LLP*

Dallas, Texas
March 30, 2010

FIELDPOINT PETROLEUM CORPORATION

CONSOLIDATED BALANCE SHEETS

ASSETS

	December 31, 2009	December 31, 2008
CURRENT ASSETS:		
Cash and cash equivalents	$ 657,942	$ 423,632
Short-term investments	44,605	554,852
Accounts receivable:		
Oil and natural gas sales	707,026	368,447
Joint interest billings, less allowance for doubtful accounts of $99,192 each period	220,550	191,486
Income taxes receivable	90,323	274,900
Deferred income tax asset-current	37,000	75,500
Prepaid expenses and other current assets	101,949	54,744
Total current assets	1,859,395	1,943,561
PROPERTY AND EQUIPMENT:		
Oil and natural gas properties (successful efforts method)	23,910,782	17,557,107
Other equipment	89,248	89,248
Less accumulated depletion and depreciation	(7,675,114)	(6,797,114)
Net property and equipment	16,324,916	10,849,241
Total assets	$ 18,184,311	$ 12,792,802

LIABILITIES AND STOCKHOLDERS' EQUITY

	December 31, 2009	December 31, 2008
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	$ 428,512	$ 412,895
Oil and natural gas revenues payable	179,366	141,685
Total current liabilities	607,878	554,580
LONG-TERM DEBT	6,744,755	1,699,125
DEFERRED INCOME TAXES	831,595	705,000
ASSET RETIREMENT OBLIGATION	1,325,002	775,023
Total liabilities	9,509,230	3,733,728
COMMITMENTS (Note 9)		
STOCKHOLDERS' EQUITY:		
Common stock, $.01 par value, 75,000,000 shares authorized; 8,910,175 shares issued, each period; 8,370,175 and 8,546,175 outstanding, respectively	89,101	89,101
Additional paid-in capital	4,573,580	4,573,580
Retained earnings	4,789,790	4,788,555
Treasury stock, 540,000 and 364,000 shares, respectively, at cost	(777,390)	(392,162)
Total stockholders' equity	8,675,081	9,059,074
Total liabilities and stockholders' equity	$ 18,184,311	$ 12,792,802

See accompanying notes to these consolidated financial statements.

FIELDPOINT PETROLEUM CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

	December 31, 2009	December 31, 2008
REVENUE:		
Oil and natural gas sales	$ 3,817,778	$ 6,464,237
Well operational and pumping fees	68,265	88,062
Disposal fees	24,000	41,000
Total revenue	3,910,043	6,593,299
COSTS AND EXPENSES:		
Lease operating	1,520,421	1,859,319
Production taxes	287,651	471,752
Depletion and depreciation	878,000	1,155,237
Impairment of oil and natural gas properties	-	1,221,775
Accretion of discount on asset retirement obligations	58,000	44,000
General and administrative	1,122,928	740,843
Total costs and expenses	3,867,000	5,492,926
OPERATING INCOME	43,043	1,100,373
OTHER INCOME (EXPENSE):		
Interest income	3,229	17,322
Interest expense	(128,168)	(156,197)
Unrealized loss on short-term investments	-	(289,857)
Realized gain on short-term investments	73,463	-
Miscellaneous income	49,066	32,250
Total other income (expense)	(2,410)	(396,482)
INCOME BEFORE INCOME TAXES	40,633	703,891
Income tax provision – current	125,559	(237,700)
Income tax provision – deferred	(164,957)	124,200
TOTAL INCOME TAX PROVISION	(39,398)	(113,500)
NET INCOME	$ 1,235	$ 590,391
EARNINGS PER SHARE:		
BASIC	$ 0.00	$ 0.07
DILUTED	$ 0.00	$ 0.07
WEIGHTED AVERAGE SHARES OUTSTANDING:		
Basic	8,503,693	8,608,305
Diluted	8,503,693	8,608,305

See accompanying notes to these consolidated financial statements.