

WolfePak Exploration Company
Balance Sheet
June 30, 2011 and January 1, 2011

	<u>Jun 30,</u> <u>2011</u>	<u>Jan 1,</u> <u>2011</u>	<u>Variance</u>	<u>Pct</u>
<u>ASSETS:</u>				
Current Assets:				
Cash	5,091,174.93	2,986,003.88	2,105,171.05	70.5
Accounts Receivable - JIB	1,844,549.44	178,848.31	1,665,701.13	931.3
A/R-NM Four Partnership	3,300.73	2,493.25	807.48	32.4
A/R-OK Four Partnership	3,889.76	37,496.51	(33,606.75)	(89.6)
A/R-Revenue ACH	3,295.36	18,057.96	(14,762.60)	(81.8)
Notes Receivable 1031 Exchange	13,895.89	0.00	13,895.89	0.0
Prepaid Insurance	1,000.00	1,000.00	0.00	0.0
Prepaid State Income Taxes	11,742.46	7,230.42	4,512.04	62.4
Total Current Assets	6,972,848.57	3,231,130.33	3,741,718.24	115.8
Fixed Assets:				
Leasehold Costs - Developed	163,481.42	63,481.42	100,000.00	157.5
Leasehold Costs - Undeveloped	13,087.50	0.00	13,087.50	0.0
Geological & Geophysical	49,841.87	0.00	49,841.87	0.0
Lease & Well Equipment	547,788.85	252,406.59	295,382.26	117.0
Furniture & Fixtures	75,000.00	75,000.00	0.00	0.0
Vehicles	25,000.00	25,000.00	0.00	0.0
Building	200,000.00	200,000.00	0.00	0.0
Land	20,000.00	20,000.00	0.00	0.0
Leasehold Improvements	25,760.50	25,760.50	0.00	0.0
Accum Depletion	(11,650.00)	(10,630.00)	(1,020.00)	(9.6)
Accum Depreciation - L&W Eqpt	(19,325.00)	(17,825.00)	(1,500.00)	(8.4)
Accum Depreciation - F & F	(8,625.00)	(7,875.00)	(750.00)	(9.5)
Accum Depreciation - Vehicles	(14,450.00)	(13,190.00)	(1,260.00)	(9.6)
Accum Depreciation - LH Improv	(8,600.00)	(7,880.00)	(720.00)	(9.1)
Total Fixed Assets	1,057,310.14	604,248.51	453,061.63	75.0
Other Assets:				
Utility Deposit	625.00	500.00	125.00	25.0
Organization Costs	50,000.00	50,000.00	0.00	0.0
Amortization of Org. Costs	(22,850.00)	(20,870.00)	(1,980.00)	(9.5)
Total Other Assets	27,775.00	29,630.00	(1,855.00)	(6.3)
Total Assets	\$ 8,057,933.71	\$ 3,865,008.84	\$ 4,192,924.87	108.5

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	Jun 30, <u>2011</u>	Jan 1, <u>2011</u>	<u>Variance</u>	<u>Pct</u>
<u>LIABILITIES & EQUITY</u>				
Liabilities:				
Accounts Payable	1,400,002.64	83,591.76	1,316,410.88	1574.8
3rd Party Payroll Checks	533.55	0.00	533.55	0.0
Group Insurance Payable	773.74	7,541.72	(6,767.98)	(89.7)
United Way Payable	2,540.52	2,600.52	(60.00)	(2.3)
401-K Payable	47,017.32	47,530.48	(513.16)	(1.1)
Revenue Payable	2,239,237.08	457,059.11	1,782,177.97	389.9
Revenue Payable-Legal Suspense	789,800.26	505,753.90	284,046.36	56.2
Revenue Payable-Petty Suspense	113,512.28	0.00	113,512.28	0.0
Severance Tax Payable - TX	102,101.26	0.00	102,101.26	0.0
Severance Tax Payable - WY	3,045.95	0.00	3,045.95	0.0
Severance Tax Payable - MT	7,100.30	0.00	7,100.30	0.0
Reserve for Plugging Expenses	460.19	0.00	460.19	0.0
Fed W/H & FICA Payable	1,410.69	0.00	1,410.69	0.0
Accrued Federal Income Tax	13,000.00	0.00	13,000.00	0.0
Texas Unemployment Payable	652.08	488.75	163.33	33.4
Oklahoma State Withholding	5,132.61	6,813.84	(1,681.23)	(24.7)
Oklahoma Unemployment Payable	38.82	29.88	8.94	29.9
New Mexico State Withholding	12,497.16	15,447.40	(2,950.24)	(19.1)
New Mexico Unemployment Pay.	18.84	12.23	6.61	54.0
FUTA Payable	177.11	91.52	85.59	93.5
WC Payable	108.62	108.96	(0.34)	(0.3)
Notes Payable - FNB	35,000.00	50,000.00	(15,000.00)	(30.0)
Prepayments Drlg/Compl/WOver	520,460.66	4,078.42	516,382.24	12661.3
Total Liabilities	<u>5,294,621.68</u>	<u>1,181,148.49</u>	<u>4,113,473.19</u>	<u>348.3</u>
Equity:				
Common Stock	51,000.00	51,000.00	0.00	0.0
Owners Capital - NM Four	348,811.40	340,000.00	8,811.40	2.6
Owners Capital - OK Four	736,393.20	680,000.00	56,393.20	8.3
Partnership Contributions	(1,050,000.00)	(1,020,000.00)	(30,000.00)	(2.9)
Partnership Distributions	(185,235.98)	0.00	(185,235.98)	0.0
Partnership Net Income (Loss)	150,031.38	0.00	150,031.38	0.0
Retained Earnings	2,632,860.35	2,632,860.35	0.00	0.0
Current Year Earnings	79,451.68	0.00	79,451.68	0.0
Total Equity	<u>2,763,312.03</u>	<u>2,683,860.35</u>	<u>79,451.68</u>	<u>3.0</u>
 Total Liabilities & Equity	 <u>\$ 8,057,933.71</u>	 <u>\$ 3,865,008.84</u>	 <u>\$ 4,192,924.87</u>	 <u>108.5</u>