

WolfePak Exploration Company

Income Statement

June 30, 2011

<u>Description</u>	<u>Curr Month</u>	<u>Pct</u>	<u>Year to Date</u>	<u>Pct</u>
<b>Income:</b>				
Oil Sales - Working Interest	138,934.63	17.7	608,103.34	39.4
Oil Sales - Royalty Interest	3,777.98	0.5	21,620.93	1.4
Oil Sales - Override Interest	0.00	0.0	0.48	0.0
Gas Sales - Working Interest	30,458.00	3.9	140,220.55	9.1
Gas Sales - Royalty Interest	3,298.58	0.4	10,352.72	0.7
Gas Sales - Override Interest	0.00	0.0	3.33	0.0
Turnkey Project Income	550,000.00	70.3	632,104.00	41.0
Income from Admin. Overhead	24,011.63	3.1	48,886.63	3.2
Income from Gas Mktg/Line Fees	2,993.17	0.4	2,993.17	0.2
Interest Income	5,252.52	0.7	29,251.03	1.9
Other Income	24,034.19	3.1	48,882.73	3.2
<b>Total Income</b>	<b>782,760.70</b>	<b>100.0</b>	<b>1,542,418.91</b>	<b>100.0</b>
<b>Production Expenses:</b>				
Production Tax - Oil Sales (W)	8,607.64	1.1	35,898.39	2.3
Production Tax - Oil Sales (R)	173.78	0.0	994.56	0.1
Production Tax - Oil Sales (O)	0.00	0.0	0.02	0.0
Production Tax - Gas Sales (W)	2,046.57	0.3	10,275.52	0.7
Production Tax - Gas Sales (R)	259.51	0.0	788.58	0.1
Production Tax - Gas Sales (O)	0.00	0.0	0.21	0.0
Lease Operating Expense	17,616.14	2.3	98,244.32	6.4
Allocated Field Supervision	0.00	0.0	50,927.04	3.3
Marketing Expense (W)	2,243.35	0.3	13,550.44	0.9
Marketing Expense (R)	155.45	0.0	969.12	0.1
Other Expense (W)	0.00	0.0	6.62	0.0
Other Expense (R)	51.79	0.0	51.79	0.0
Other Expense (O)	0.00	0.0	0.11	0.0
Turnkey Project Costs	0.00	0.0	40,711.93	2.6
Intangible Drilling Costs	566,928.41	72.4	819,511.42	53.1
Intangible Completion Costs	123,276.51	15.7	263,026.51	17.1
Yard Expenses	10,356.57	1.3	10,356.57	0.7
<b>Total Production Expenses</b>	<b>731,715.72</b>	<b>93.5</b>	<b>1,345,313.15</b>	<b>87.2</b>
<b>Gross Profit on Production</b>	<b>51,044.98</b>	<b>6.5</b>	<b>197,105.76</b>	<b>12.8</b>
<b>Administrative Expenses:</b>				
Employee Expenses	18,929.72	2.4	133,404.54	8.6
Field Supervision Allocated	0.00	0.0	(50,927.04)	(3.3)
Interest Expense	200.00	0.0	1,200.00	0.1
Meals & Entertainment	0.00	0.0	3,715.88	0.2
Miscellaneous	0.00	0.0	102.64	0.0
Office Supplies & Postage	426.00	0.1	3,854.92	0.2
Seminars/Training	0.00	0.0	2,822.72	0.2
Telephone	408.00	0.1	4,997.40	0.3
Travel	421.50	0.1	421.50	0.0
Utilities	300.00	0.0	5,061.52	0.3
<b>Total Administrative Expense</b>	<b>20,685.22</b>	<b>2.6</b>	<b>104,654.08</b>	<b>6.8</b>
Corporate Income Tax	0.00	0.0	13,000.00	0.8
<b>Net Income (Loss)</b>	<b>\$ 30,359.76</b>	<b>3.9</b>	<b>\$ 79,451.68</b>	<b>5.2</b>