WAYNE M. MANNING
CERTIFIED PUBLIC ACCOUNTANT

Report of Independent Certified Public Accountant

The Board of Directors
AMEN Properties, Inc. and Subsidiaries
Richardson, Texas

We have audited the accompanying consolidated balance sheets of AMEN Properties, Inc. (a Texas corporation) and Subsidiaries (collectively referred to as the "Company") as of December 31, 2010 and 2009 and the related consolidated statements of operations, shareholders' 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 auditing standards generally accepted in the United States of America. 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 AMEN Properties, Inc. and Subsidiaries as of December 31, 2010 and 2009, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ *Wayne M. Manning, CPA*

August 20, 2011

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AMEN Properties, Inc. and Subsidiaries
CONSOLIDATED BALANCE SHEETS

ASSETS

		December 31, 2010 (Audited)		December 31, 2009 (Audited)
CURRENT ASSETS				
Cash and Cash Equivalents	$	3,191,386	$	4,646,964
Accounts Receivable, net of allowance		455,781		538,204
Marketable Securities		430,265		471,636
Other Current Assets		71,310		10,055
Assets of Discontinued Operations		-		2,532,400
Total Current Assets		4,148,742		8,199,259
PROPERTY AND EQUIPMENT		26,472		42,251
OIL AND GAS INVESTMENT IN SFF GROUP		2,760,870		4,012,427
OIL AND GAS ROYALTY AND WORKING INTERESTS		8,977,958		9,303,324
INVESTMENT IN REAL ESTATE		2,362,591		2,555,127
NOTE RECEIVABLE		1,500,000		-
LONG-TERM INVESTMENTS		50,000		62,350
OTHER ASSETS				
Goodwill		-		2,916,085
Deferred Costs		6,000		6,000
Deposits and Other Assets		103,208		104,149
Total Other Assets		109,208		3,026,234
TOTAL ASSETS	$	19,935,841	$	27,200,972

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES				
Accounts Payable	$	149,274	$	258,711
Accrued Liabilities		477,195		546,874
Deferred Revenue		-		-
Income & Franchise Taxes Payable		1,032		70,032
Current Portion of Long-Term Obligations		-		134,520
Current Portion of Related-Party Obligations		-		298,600
Liabilities of Discontinued Operations		-		327,031
Total Current Liabilities		627,501		1,635,768
LONG-TERM OBLIGATIONS, less current portion				
Financial Institutions and Other Creditors		-		471,445
Related Party Obligations		-		1,047,802
Total Long-Term Obligations		-		1,519,247
COMMITMENTS AND CONTINGENCIES				-
EQUITY				
Stockholders' Equity:				
Preferred Stock, $.001 par values; 5,000,000 shares authorized				
429,100 Series "D" shares issued and outstanding		429		429
549,406 Series "E" shares issued and outstanding		549		549
Common Stock, $.01 par value; 20,000,000 shares authorized;				
42,020 and 4,233,714 shares issued and outstanding at				
December 31, 2010 and 2009		420		42,337
Additional Paid-in Capital		58,059,139		58,119,148
Accumulated Deficit		(39,864,092)		(35,423,622)
Accumulated Other Comprehensive Income		(108,394)		-
Total Stockholders' Equity		18,088,051		22,738,841
Noncontrolling Interest		1,220,289		1,307,116
Total Equity		19,308,340		24,045,957
TOTAL LIABILITIES AND EQUITY	$	19,935,841	$	27,200,972

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

AMEN Properties, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended December 31, 2010 (Audited)	2009 (Audited)
OPERATING REVENUE		
Energy Management Fees	$ -	$ -
Oil and Gas Revenue	3,342,636	3,057,515
Total Operating Revenue	3,342,636	3,057,515
OPERATING EXPENSE		
Cost of Goods and Services	-	-
Oil and Gas Operations	1,783,732	1,333,397
General and Administrative	805,795	831,519
Depreciation, Amortization and Depletion	1,305,753	1,559,509
Corporate Tithing	11,185	46,728
Total Operating Expenses	3,906,465	3,771,153
INCOME FROM OPERATIONS	(563,829)	(713,638)
OTHER INCOME (EXPENSE)		
Interest Income	298	341
Interest Expense	(90,633)	(183,601)
Income from Real Estate Investment	170,047	184,003
Income from SFF Group Investment	81,776	(225,264)
Goodwill Impairment	(2,916,085)	-
Loss from Sale of Priority Power	(1,468,247)	
Other Income	254,850	19,600
Total Other Income	(3,967,994)	(204,921)
INCOME FROM CONTINUING OPERATINGS BEFORE INCOME TAXES	(4,531,823)	(918,559)
Income Taxes	(65,467)	(18,491)
INCOME FROM CONTINUING OPERATIONS	(4,597,290)	(937,050)
INCOME (LOSS) FROM DISCONTINUED OPERATIONS	1,212,270	1,387,395
NET INCOME	(3,385,020)	450,345
Less: Preferred Stock Dividends	(910,951)	(910,941)
Less: Net Income Attributable to the Noncontrolling Interest	(195,161)	(86,256)
NET INCOME APPLICABLE TO COMMON SHAREHOLDERS	$ (4,491,132)	$ (546,852)
Earnings Attributable to Common Shareholders Per Share - Basic		
Income from Continuing Operations	$ (135.81)	$ (45.69)
Income from Discontinued Operations	28.87	32.77
Net Income	$ (106.94)	$ (12.92)
Earnings Attributable to Common Shareholders Per Share - Diluted		
Income from Continuing Operations	$ (135.81)	$ (45.69)
Income from Discontinued Operations	23.68	26.91
Net Income	$ (112.13)	$ (18.77)
Weighted Average Number of Common Shares Outstanding - Basic	41,996	42,337
Weighted Average Number of Common Shares Outstanding - Diluted	51,194	51,548
Amounts Attributable to Amen Properties, Inc. Common Shareholders		
Income from Continuing Operations	$ (5,703,402)	$ (1,934,247)
Discontinued Operations	1,212,270	1,387,395
Net Income	$ (4,491,132)	$ (546,852)
Other Comprehensive Income:		
Net Income Applicable to Common Shareholders	$ (4,491,132)	$ (546,852)
Unrealized Gain (Loss) on Investments	(108,394)	-
Comprehensive Income	$ (4,599,526)	$ (546,852)

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

AMEN Properties, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
For the Years Ended December 31, 2010 and 2009

	Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income/(Loss)	Non-controlling Interest	Total Equity
	Shares	Amount	Shares	Amount					
BALANCE, DECEMBER 31, 2008	978,506	$ 978	4,233,714	$ 42,337	$ 58,119,148	$ (34,973,267)	$ -	$ -	$ 23,189,196
Common stock issued pursuant to options exercised	-	-	-	-	-	-	-	-	-
Preferred dividends	-	-	-	-	-	(910,951)	-	-	(910,951)
Other transactions	-	-	-	-	-	-	-	1,220,860	1,220,860
Other comprehensive income	-	-	-	-	-	-	-	-	-
Net income (loss)	-	-	-	-	-	460,596	-	86,256	546,852
Total comprehensive income	-	-	-	-	-	460,596	-	86,256	546,852
BALANCE, DECEMBER 31, 2009	978,506	978	4,233,714	42,337	58,119,148	(35,423,622)	-	1,307,116	24,045,957
Reverse stock split 100:1	-	-	(4,191,694)	-	-	-	-	-	-
Preferred dividends	-	-	-	-	-	(910,951)	-	-	(910,951)
Retirement of common stock	-	-	-	(41,917)	(60,009)	(38,930)	-	-	(140,856)
Other transactions	-	-	-	-	-	-	-	(281,988)	(281,988)
Common stock issued pursuant to options exercised	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	(108,394)	-	(108,394)
Net income (loss)	-	-	-	-	-	(3,490,589)	-	195,161	(3,295,428)
Total comprehensive income	-	-	-	-	-	(3,490,589)	(108,394)	195,161	(3,403,822)
BALANCE, DECEMBER 31, 2010	978,506	$ 978	42,020	$ 420	$ 58,059,139	$ (39,864,092)	$ (108,394)	$ 1,220,289	$ 19,308,340

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

AMEN Properties, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Year Ended December 31,

	2010 (Audited)	2009 (Audited)
Cash Flows from Operating Activities		
Income from Continuing Operations	$ (4,597,290)	$ 518,919
Adjustments to Reconcile Net Income to Cash Provided by Operating Activities		
Depreciation, Amortization & Depletion	1,305,754	1,712,485
Contribution of Director & Officer Compensation	32,000	-
Equity Income from Real Estate Investment	(170,047)	(184,003)
Equity Income from SFF Investment	(81,776)	225,264
Changes in Operating Assets and Liabilities		
Accounts Receivable	82,423	1,533
Other Assets	(61,255)	140,969
Impairment of Goodwill	2,916,085	-
Accounts Payable	(109,437)	(255,178)
Accrued Liabilities	(69,679)	377,781
Income and Franchise Taxes Payable	(69,000)	-
Deferred Revenue	-	(27,704)
Cash Flows from Continuing Operations	(822,222)	2,510,066
Cash Flows from Discontinued Operations	2,788,926	(1,331,344)
Net Cash Provided by Operations	1,966,704	1,178,722
Cash Flows from Investing Activities		
Purchases of Property & Equipment	3,933	(16,355)
(Purchase) / Sale of Oil and Gas Interests	-	1,585,822
Development of Oil & Gas Interests	(463,287)	(275,626)
Purchase of Note Receivable	(1,500,000)	-
(Purchases) / Sales of Marketable Securities, net	149,765	(471,636)
(Purchases) / Sales of Other Assets	941	(107,638)
Distributions to Non-Controlling Interest	(281,988)	(335,404)
Distributions from HPG	339,195	-
Distributions from SFF Group	1,333,333	1,066,666
Net Cash Provided by / (Used in) Investing Activities	(418,108)	1,445,829
Cash Flows from Financing Activities		
Repayments of Notes Payable	(1,952,367)	(556,014)
Preferred Stock Dividends	(910,951)	(910,941)
Retirement of Common Stock	(140,856)	-
Net Cash Provided by / (Used in) Financing Activities	(3,004,174)	(1,466,955)
Net Increase / (Decrease) in Cash	(1,455,578)	1,157,596
Cash at Beginning of Period	4,646,964	3,489,368
Cash at End of Period	$ 3,191,386	$ 4,646,964
Non-Cash Financing and Investing Activities:		
Unrealized Gain on Marketable Securities	$ (108,394)	$ -

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

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. *Organization*

Company Background

- The Company was originally incorporated as DIDAX, Inc, in January 1997
- Until December 2002 the Company operated under the name Crosswalk.com; its primary businesses were operation of the Christian web portal *crosswalk.com*™ and a direct mail advertising service.
- During the last quarter of 2002, the Company sold substantially all of its assets with the exception of the Company's accumulated Net Operating Loss ("NOL") and changed its name to AMEN Properties, Inc.
- A revised business plan was approved by the shareholders in 2002, and called for the Company to grow via the selective acquisition of cash-generating assets in three categories:
  - Commercial real estate in secondary stagnant markets
  - Commercial real estate in out of favor growth markets
  - Oil and gas royalties

During the time the Company operated as Crosswalk.com, it generated a Net Operating Loss in excess of $30 million. Provisions in the United States Federal Tax Code dictate that a significant ownership change (in excess of 50% in a three-year period) would eliminate the Company's ability to use the NOL to offset its Federal Income Tax liability. It is the Company's intention to preserve its NOL, which requires funding our growth without access to many traditional sources of capital which would result in a significant change in ownership.

Company Organization

In initiating the 2002 business plan, the Company, in October 2002, formed the following entities:

- NEMA Properties LLC ("NEMA"), a Nevada limited liability company 100% owned by AMEN
- AMEN Delaware LP ("Delaware"), a Delaware limited partnership owned 99% by NEMA as the sole limited partner and 1% by AMEN, as the sole general partner
- AMEN Minerals LP ("Minerals"), a Delaware limited partnership, owned 99% by NEMA as the sole limited partner and 1% by AMEN, as the sole general partner.

On July 30, 2004, the Company formed W Power and Light LP ("W Power"), a Delaware limited partnership owned 99% by NEMA as the sole limited partner and 1% by AMEN, as the sole general partner. On May 18, 2006, the Company acquired 100% of Priority Power Management, Ltd. and Priority Power Management Dallas, Ltd. (collectively "Priority Power") effective April 1, 2006. Priority Power is owned 1% by AMEN, as the sole general partner, and 99% by NEMA, as the sole limited Partner.

Corporate Reorganization

On December 17, 2007, the Company approved a corporate reorganization (the "Reorganization") effective January 1, 2008. As part of the Reorganization, the Delaware Partnership, the Minerals Partnership, the PPM Partnership, and the W Power Partnership were each converted from limited partnerships into limited liability companies with AMEN owning 100% of the shares and as the sole managing member of each entity. The converted entities are:

- AMEN Delaware, LLC, ("Delaware")
- AMEN Minerals, LLC, ("Minerals")
- NEMA Properties, LLC , ("NEMA")
- Priority Power Management, LLC ("Priority Power")
- W Power and Light, LLC, ("W Power")

On May 31, 2008, as part of the Reorganization, NEMA was converted from a Nevada Limited Liability company to a Texas Limited Liability company.

As used herein, the terms “Company” and “AMEN” and references to “we” and “our” refer to all of AMEN Properties, Inc., NEMA, Delaware, Minerals, and W Power and Priority Power unless the context otherwise requires.

On September 28th, 2009, the Company approved a reorganization plan effective January 1, 2010 whereby Delaware, Minerals and NEMA were dissolved and the assets and liabilities of each entity were conveyed to Amen Properties, Inc.

Status of 2002 Business Plan

The Company’s first act in implementing the 2002 business plan was the acquisition of a 64.9% limited partnership interest in TCTB Partners, Ltd. (“TCTB”), a real estate investment partnership which owned two commercial office properties in Midland, Texas (collectively referred to as “the Properties”). Effective January 1, 2004, the Company acquired an additional 6.4% limited partnership interest in TCTB giving the Company a 71.3% interest.

Effective September 27, 2006, the Company entered into an agreement to contemporaneously distribute TCTB’s assets to the limited partners and sell 75% of their undivided interest in the Properties to an unaffiliated third party. TCTB continues to hold record title to the remaining undivided 25% interest in the Properties beneficially owned by the Partners of TCTB (“Selling Partners”), including the Company’s 18.0% ownership in the Properties. After the sale, TCTB, the Selling Partners and the Buyers, as all of the owners of the Properties, entered into a Management Agreement with TCTB Management Group, LLC (“Management”) dated September 29, 2006 relating to the management of the Properties. The owners of Management are the Selling Partners (including the Company) and the Buyers in the same percentages as their proportionate ownership of the Properties. Mr. Jon Morgan, President and CEO of the Company, is the managing member of Management.

Due to the Company’s inability to find viable real estate investment opportunities in secondary and out-of-favor markets, the decision was made to revise the business plan and focus on other opportunities for growth. The distribution and sale of a majority of TCTB’s assets resulted in the Company maintaining a relatively small investment in Real Estate and deemphasizing that market as a source of growth.

One of the original components of the 2002 Business Plan was to leverage the expertise of the Company’s management in the acquisition of oil and gas royalties. In December 2007, the Company acquired a one third interest in SFF Royalty, LLC (“SFF Royalty”) and SFF Production, LLC (“SFF Production”), (collectively “SFF Group”). Through its ownership in these entities, the Company participates in the income generated from oil and gas royalties and working interests in over 1,200 properties in several states.

Expansion into Electricity

A new opportunity was created when the Texas Legislature adopted the Texas Electric Choice Plan, which effectively deregulated the electricity marketplace in the State of Texas, the largest electricity market in the United States. The Company formed a new subsidiary, W Power, to serve the Texas market as a retail electricity provider (“REP”). In September 2004 the Public Utility Commission of Texas (“PUCT”) awarded W Power a license to begin commercial REP operations in Texas and in November 2004 W Power received its certification from the Electric Reliability Council of Texas (“ERCOT”). As a REP, W Power sells electricity and provides the related billing, customer service, collection and remittance services to residential, commercial, and industrial customers. W Power offers its customers low electricity rates, flexible payment and pricing choices, simple terms and responsive customer service. The Texas regulatory structure and legislation permits independent REPs (companies unaffiliated with an incumbent utility in a particular geographic area), such as W Power, to procure and sell electricity at unregulated prices and pay the local transmission and distribution utilities a regulated tariff rate for delivering electricity to the customers.

On June 25, 2008 the Company approved a plan to discontinue the operations of W Power. Management recommended this plan to the Board based on significant adverse changes in the business climate of the Texas retail electricity market. The Company settled W Power's existing supply contracts and transferred its customers and their contracts to another retail electricity provider.

Deregulation of the Texas electricity market also created opportunities for companies to provide energy management and consulting services to commercial customers. In 2006 the Company acquired Priority Power, one of the leading electricity aggregation, brokering and consulting firms in the State of Texas. Priority provides services to its customers in the areas of load aggregation, natural gas and electricity procurement, energy risk management, and energy consulting in both regulated and deregulated domestic markets. In October of 2010, the Company sold Priority Power to its management team as discussed in Note B.

2. *Basis of Presentation*

The consolidated financial statements include the accounts of the Company and its majority-owned/controlled subsidiaries and affiliates. Inter-company balances and transactions have been eliminated.

Management uses estimates and assumptions in preparing the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses in the consolidated financial statements, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

3. *Cash and Cash Equivalents*

The Company considers cash on hand, cash on deposit in banks, money market mutual funds and highly liquid debt instruments purchased with a maturity of three months or less to be a cash equivalent.

4. *Marketable Investments*

The Company invests in U.S. government bonds and treasury notes, municipal bonds, certificates of deposit, corporate bonds and other securities. Investments with original maturities greater than three months but less than twelve months from the balance sheet date are short-term investments. Those investments with original maturities greater than twelve months from the balance sheet date are long-term investments.

The Company's marketable securities are classified as available-for-sale as of the balance sheet date, and are reported at fair value with unrealized gains and losses, net of tax, recorded in stockholders' equity. Realized gains or losses and permanent declines in value, if any, on available-for-sale investments are reported in other income or expense as incurred.

5. *Fair Value of Financial Instruments*

Generally accepted accounting principles require disclosure of fair value information about financial instruments, whether or not recognized in the accompanying consolidated balance sheet. Fair value is defined as the amount at which an instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The fair value estimates of financial instruments are not necessarily indicative of the amounts we might pay or receive in actual market transactions. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts.

The carrying value of cash and cash equivalents, investments, accounts receivable, notes receivable, and accounts payable approximate fair value because of the relatively short maturity of these instruments. Disclosure about fair value of financial instruments is based on pertinent information available to management as of December 31, 2010.

6. *Accounts Receivable*

Management regularly reviews accounts receivable and estimates the necessary amounts to be recorded as an allowance for doubtful accounts.

7. *Depreciation, Amortization and Depletion*

Property and equipment are stated at cost. Depreciation is determined using the straight-line method over the estimated useful lives ranging from three to 10 years. Royalty acquisitions are stated at cost. Depletion is determined using the units-of-production method based on the estimated oil and gas reserves.

8. *Impairment of Long-Lived Assets*

Generally accepted accounting principles specify circumstances in which certain long-lived assets must be reviewed for impairment. If the carrying amount of an asset exceeds the sum of its expected cash flows, the asset's carrying value must be written down to fair value. The Company periodically evaluates the recoverability of the carrying value of its long-lived assets and identifiable intangibles by monitoring and evaluating changes in circumstances that may indicate that the carrying amount of the asset may not be recoverable. Examples of events or changes in circumstances that indicate that the recoverability of the carrying amount of an asset should be assessed include but are not limited to the following: a significant decrease in the market value of an asset, a significant change in the extent or manner in which an asset is used or a significant physical change in an asset, a significant adverse change in legal factors or in the business climate that could affect the value of an asset or an adverse action or assessment by a regulator, an accumulation of costs significantly in excess of the amount originally expected to acquire or construct an asset, and/or a current period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with an asset used for the purpose of producing revenue.

The Company considers historical performance and anticipated future results in its evaluation of potential impairment. Accordingly, when indicators or impairments are present, the Company evaluates the carrying value of these assets in reaction to the operating performance of the business and future discounted and nondiscounted cash flows expected to result from the use of these assets. Impairment losses are recognized when the sum of expected future cash flows are less than the assets' carrying value.

During 2010, the Company recognized an impairment loss of $2.9 million related to goodwill recorded when the Company purchased Priority Power in 2006. This impairment was recognized due to reduced expectations of future earnings as a result of the Company's agreement with Bick and Ennis as discussed in Note B. As a result of this impairment, no goodwill from this transaction remains on the Company's balance sheet as of December 31, 2010.

9. *Goodwill*

In accordance with generally accepted accounting principles in the United States of America, goodwill is not amortized to earnings, but is assessed for impairment whenever events or circumstances indicate that impairment of the carrying value of goodwill is likely, but no less often than annually. If the carrying value of goodwill is determined to be impaired, it is reduced for the impaired value with a corresponding charge to pretax earnings in the period in which it is determined to be impaired. The intangible assets are tested for impairment annually. If there is impairment, the amount will be expensed and the intangible assets will be written down accordingly.

During the third quarter of 2010, the Company recognized an impairment loss of $0.96 million related to goodwill recorded when the Company purchased Priority Power in 2006. This impairment was recognized due to reduced expectations of future earnings as a result of the Company's agreement with Bick and Ennis as discussed in Note B. As a result of this impairment, no goodwill from this transaction remains on the Company's balance sheet as of December 31, 2010.

10. *Investment in Real Estate and SFF Group*

The Company's determination of the appropriate accounting method with respect to investments in limited partnerships, limited liability companies and other subsidiaries is based on control. For general partner interests, the Company is presumed to control (and therefore consolidate) the entity, unless the other limited partners have substantive rights that overcome this presumption of control. These substantive rights allow the limited partners to participate in significant decisions made in the ordinary course of the entity's business. The Company accounts for its non-controlling general partner investments in these entities under the equity method. This treatment also applies to the Company's managing member interests in limited liability companies.

The Company's determination of the appropriate accounting method for all other investments in subsidiaries is based on the amount of influence the Company has (including our ownership interest) in the underlying entity. Those other investments where the Company has the ability to exercise significant influence (but not control) over operating and financial policies of such subsidiaries (including certain subsidiaries where the Company has less than 20% ownership) are accounted for using the equity method. The Company eliminates transactions with such equity method subsidiaries to the extent of the ownership in such subsidiaries. Accordingly, the Company's share of the earnings or losses of these equity method subsidiaries is included in net earnings. All of the Company's remaining investments are carried at cost. Under either the equity or cost method, impairment losses are recognized upon evidence of other-than-temporary losses of value.

The Company owns approximately 18% of HPQ Acquisition, LLC, ("HPG") a real estate company which owns commercial properties located in Midland, Texas (see Note F). The Company accounts for its investment in HPG using the equity method of accounting.

The Company's investment in real estate and SFF Group (see Note O) is recorded at cost, adjusted for its equity share of earnings, using the equity method of accounting, and cash contributions and distributions.

11. *Stock-Based Compensation*

For stock-based compensation awards granted or modified, compensation expense is being recognized in the Company's financial statements on a straight line basis over the awards' vesting periods based on their fair values on the dates of grant. The amount of compensation expense recognized at any date is at least equal to the portion of the grant date value of the award that is vested at that date.

12. *Income and Franchise Taxes*

The Company accounts for income taxes in accordance with generally accepted accounting principles in the United States of America. Under this method, deferred tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities, and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. For the periods ended December 31, 2010 and 2009, no income tax expense has been incurred for Federal income taxes due to the utilization of the Company's net operating losses.

13. *Deferred Revenue*

Deferred revenue consists of prepaid aggregation fees that are amortized over the life of the related aggregation contract.

14. *Corporate Tithing*

The Company shall, to the extent permitted by law, expend from the revenues of the Company such sums as are deemed prudent by the Board of Directors to support, encourage, or sustain persons or entities which in the judgment of the Board of Directors are expected to make significant efforts to propagate the Gospel of Jesus Christ in any manner not in conflict with the Statement of Faith. Such expenditures may be made without regard to the tax status or nonprofit status of the recipient. It is expected that the expenditures paid out under the provisions of this policy shall approximate ten percent (10%) of the amount that would otherwise be the net profits of the Company for the accounting period.

15. *Revenue Recognition*

The Company records electricity sales under the accrual method and these revenues are recognized upon delivery of electricity to the customers' meters. Electric services not billed by month-end are accrued based upon estimated deliveries to customers as tracked and recorded by the Electric Reliability Council of Texas ("ERCOT") multiplied by the Company's average billing rate per kilowatt hour ("kwh") in effect at the time ("the flow technique").

The flow technique of revenue calculation relies upon ERCOT settlement statements to determine the estimated revenue for a given month. Supply delivered to our customers for the month, measured on a daily basis, provides the basis for revenues. ERCOT provides net electricity delivered data in three phases. Initial daily settlements become available approximately 17 days after the settlement date. Approximately 45 days after the settlement date, a resettlement is provided to adjust the initial settlement to the actual supply delivered based on subsequent comparison of prior forecasts to actual meter reads processed. A final resettlement is provided approximately 180 days after power is delivered, marking the last routine settlement adjustment to the power deliveries for that day.

Sales represent the total proceeds from energy sales, including pass through charges from the TDSPs billed to the customer at cost. Cost of goods and services ("COGS") include electric power purchased, sales commissions, and pass through charges from the TDSPs in the areas serviced by the Company. TDSP charges are costs for metering services and maintenance of the electric grid. TDSP charges are determined by regulated tariffs established by the Public Utility Commission of Texas ("PUCT").

Bilateral wholesale costs are incurred through contractual arrangements with wholesale power suppliers for firm delivery of power at a fixed volume and fixed price. The Company is typically invoiced for these wholesale volumes at the end of each calendar month for the volumes purchased for delivery during the month, with payment due 10 to 20 days after the end of the month.

Balancing/ancillary costs are based on the aggregate customer load and are determined by ERCOT through a multiple step settlement process. Balancing costs/revenues are related to the differential between supply provided by the Company through its bilateral wholesale supply and the supply required to serve the Company's customer load. The Company endeavors to minimize the amount of balancing/ancillary costs through its load forecasting and forward purchasing programs.

The Company's gross revenues for aggregation and other services to our customers are recognized upon delivery and include estimated aggregation fees and other services delivered but not billed by the end of the period.

Accrued unbilled revenues are based on our estimates of customer usage since the date of the last meter reading provided by the independent system operators or electric distribution companies. Volume estimates are based on average daily volumes, estimated customer usage and applicable customer aggregation rates. Unbilled revenues are calculated by multiplying volume estimates by our estimated rates by customer. Estimated amounts are adjusted when actual usage and rates are known and billed.

16. *Advertising Expense*

All advertising costs are expensed when incurred.

17. *Management Estimates*

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from such estimates. Material estimates that are particularly susceptible to significant changes in the near term relate to the recognition of revenues, the estimate of the allowance for doubtful accounts, the estimate of asset impairments and the determination of depreciation and amortization expense.

18. *Income Per Share*

Income per share is computed based on the weighted average common shares and common stock equivalents outstanding during each period.

19. *Environmental*

The Company is subject to extensive federal, state and local environmental laws and regulations. These laws regulate asbestos in buildings that require the Company to remove or mitigate the environmental effects of the disposal of the asbestos at the buildings.

Environmental costs that relate to current operations are expensed or capitalized as appropriate. Costs are expensed when they relate to an existing condition caused by past operations and will not contribute to current or future revenue generation. Liabilities related to environmental assessments and/or remedial efforts are accrued when property or services are provided or can be reasonably estimated.

20. *Subsequent Events*

The Company has evaluated subsequent events through the date of issuance of the consolidated financial statements. The Company is not aware of any reportable subsequent events.

21. *Recently Issued Accounting Pronouncements*

New authoritative accounting guidance under Financial Accounting Standards Board ("FASB") ASC Topic 105, "Generally Accepted Accounting Principles" ("ASC Topic 105") established the FASB Accounting Standards Codification as the source of authoritative U.S. GAAP recognized by the FASB to be applied to nongovernmental entities. ASC Topic 105 supersedes existing FASB, American Institute of Certified Public Accountants, Emerging Issues Task Force, and related literature. All other accounting literature is considered non-authoritative. ASC Topic 105 changes the way the Company cites authoritative guidance within the Company's financial statements and accounting policies. The new authoritative guidance under ASC Topic 105 became effective for periods ending on or after September 15, 2009, and did not have a material impact on the Company's consolidated financial statements.

New authoritative accounting guidance under FASB ASC Topic 805, "Business Combinations" (ASC Topic 805") requires the acquiring entity in a business combination to recognize and measure all assets and liabilities assumed in the transaction and any non-controlling interest in the acquiree at fair value as of acquisition date. ASC Topic 805 further amends the initial recognition and measurement, subsequent measurement and accounting, and disclosures of assets and liabilities arising from contingencies in a business combination. The new authoritative guidance under ASC Topic 805 became effective for the Company on January 1, 2009, and the impact on the

Company's consolidated financial statements will largely be dependent on the size and nature of the business combinations completed. The Company has not made any significant acquisitions since adoption.

New authoritative accounting guidance under FASB ASC topic 810, "Consolidation" (ASC Topic 810") established accounting and reporting standards that require non-controlling interests to be reported as a component of equity along with any changes in the parent's ownership interest. The new authoritative guidance under ASC Topic 810 became effective for the Company on January 1, 2009, and did not have a material impact on the Company's consolidated financial statements.

New authoritative accounting guidance under FASB ASC Topic 825, "Financial Instruments" ("ASC Topic 825") requires the Company to include disclosures about the fair value of its financial instruments whenever it issues financial information for interim reporting periods and annual reporting periods, whether recognized or not recognized in the consolidated balance sheets. The new authoritative guidance under ASC topic 825 became effective for the Company on April 1, 2009, and did not have a material impact on the Company's consolidated financial statements.

New authoritative accounting guidance under ASC Topic 855 established general standards of accounting for and disclosures of events that occur after the balance sheet date but before financial statements are issued or are available to be basis for the date, and whether that date represents the date the financial statements were issued. The new authoritative guidance under ASC Topic 855 became effective for the Company on April 1, 2009, and did not have a material impact on the Company's consolidated financial statements.

In January 2010, the FASB issued ASC Update 2010-06, "Fair Value Measurements and Disclosures" ("ASC Update 2010-06") that requires additional disclosures surrounding transfers in and out of Levels 1 and 2, inputs and valuation techniques used to value Level 2 and 3 measurements, and push down of previously prescribed fair value disclosures to each class of asset and liability for Levels 1, 2, and 3. This new authoritative guidance is effective for interim and annual reporting periods beginning after December 15, 2009. The Company will apply the new authoritative guidance in 2010. ASC Update 2010-06 also requires that purchases, sales, issuances, and settlements for Level 3 measurements be disclosed. This portion of the new authoritative guidance is effective for interim and annual reporting periods beginning after December 15, 2010. The Company will apply this new authoritative guidance in the Company's 2011 financial statements. The adoption of ASC Update 2010-06 will not have a material impact on the Company's financial statements.

NOTE B – PRIORITY POWER EMPLOYMENT AGREEMENTS / WARRANTS

In January 2010, the Company signed new employment agreements with John Bick and Pat Ennis, the executives responsible for the management of Priority Power. The agreements are effective December 1, 2009 with a term of five years.

In connection with these new employment agreements, the Company also issued a warrant to Bick and Ennis entitling them collectively to purchase 80% of the equity of Priority Power for a price of $10. The warrant has an expiration date of December 1, 2014 and vests only upon the delivery of $1.9 million in cash earnings by Priority Power to Amen. Additionally, the Company issued an option to Bick and Ennis entitling them to purchase Amen's retained 20% ownership in Priority for the price of $480,000. This purchase option has an expiration date of December 1, 2012.

On October 1, 2010, Bick and Ennis exercised their warrant to purchase 80% of the equity of Priority Power for a price of $10. Additionally, they exercised their option to purchase the remaining 20% of Priority for a price of $480,000. Consequently, the operations of Priority are reflected as discontinued in these financial statements and Priority will no longer be consolidated with the Company starting October 1, 2010.

NOTE C – CONCENTRATIONS OF CREDIT RISK

The Company maintains cash balances at four financial institutions, which at times may exceed federally insured limits. The Company had no uninsured cash and cash equivalents at December 31, 2010 and 2009, respectively. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risks on such accounts.

Priority Power's revenues are derived principally from uncollateralized customer electricity billings. The concentration of credit risk in a limited number of industries affects its overall exposure to credit risk because customers may be similarly affected by changes in economic and other conditions.

NOTE D – NOTE RECEIVABLE

On September 29, 2010, the Company purchased 23.0769% of a loan from First Southern National Bank ("FSNB") for the price of $1.5 million. The face value of 100% of the loan is $11MM and it is collateralized by a 206,351 square foot office building in Daytona Beach, Florida. The terms of the participation agreement specify that FSNB will retain 10% of the discount earned on the loan (funds received at payoff less the original purchase price). The entire balance was received subsequent to December 31, 2010.

Jess Correll, founder and Chairman of the Board for First Southern Bancorp, Inc., parent company of FSNB, was a director of the Company at the time of this transaction. Mr. Correll subsequently resigned as a director.

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment, at cost, consisted of the following at December 31, 2010 and December 31, 2009:

	2010	2009
Furniture, fixtures and equipment	$ 99,396	$ 193,269
Less: accumulated depreciation	(72,924)	(151,018)
	$ 26,472	$ 42,251

NOTE F – INVESTMENT IN REAL ESTATE

The Company owns approximately 18% of HPQ Acquisition, LLC, ("HPG") a real estate company which owns commercial properties located in Midland, Texas. The Company accounts for its investment in HPG using the equity method.

The Company's Investment in real estate consisted of the following at December 31, 2010 and December 31, 2009:

	2010	2009
Real estate investment	$ 2,555,127	$ 2,371,124
Equity earnings	170,047	184,003
Step-up Depreciation	(23,388)	-
Distributions from HPG	(339,195)	-
	$ 2,362,591	$ 2,555,127

A portion of the Company's real estate investment and equity earnings results for the fourth quarter of 2010 are based on the results of HPG Acquisition, LLC and its subsidiaries. HPG Acquisition, LLC reported the following consolidated financial information at December 31, 2010:

	2010
Total Assets	$ 17,364,638
Total Liabilities	817,941
Net Income	981,185

NOTE G – OIL AND GAS ROYALTY AND WORKING INTERESTS

The Company owns oil and gas royalty and working interests in a number of states. The total consideration paid by the Company for the royalty interests was $10,958,990. Under accounting principles generally accepted in the United States of America, revenues and expenses are recognized on an accrual basis. Oil and gas revenue is generally received one to two months following the month of production and the Company uses estimates to accrue.

Depletion expense for the periods ended December 31, 2010 and 2009 was $1.3 million and $1.5 million, respectively, and accumulated depletion was $2.8 million and $1.5 million, respectively.

Allen Field

On August 20, 2008, Minerals acquired a 5% working interest and 4% net revenue interest (after royalty and lease burdens, including an overriding royalty reserved to the seller) in certain producing oil and gas properties from Aghorn Energy, Inc., effective June 1, 2008 for a purchase price of $1,431,000, paid in cash. The Properties, which were purchased by Aghorn from Exxon Mobil Corporation ("Exxon Mobil") on June 1, 2008, consist of Exxon Mobil's leasehold interests, including their interest in all wellbores, in approximately thirty thousand acres known as the Yarbrough and Allen Field, located in Ector, Ward, Winkler and Crane Counties in Texas. Exxon Mobil owned a 100% working interest in the wellbores on the Properties with the exception of four wells which are subject to a farm-out agreement with EOG Resources, Inc. ("EOG"). For the wells farmed out to EOG, Exxon Mobil owned working interests ranging from 25% to 50% and net revenue interests ranging from 21.875% to 43.75%, and Minerals' interest in those wells is reduced proportionately.

In June 2009, the Company exercised its put option to sell back the Allen Field interests described above to Aghorn Energy for a sales price of $1.6 million. The Company decided to sell the interests back to Aghorn based on decreases in commodity prices which had occurred subsequent to the original purchase.

SFF Interests

As described in Note O, the Company owns an indirect interest in oil gas and gas royalties through its ownership of 33% of the membership interests if SFF Royalty, LLC. Additionally, the Company controls oil and gas working interests owned by SFF Production, LLC through its ownership of 79.1% of the membership interests of that entity. The working interests owned by SFF Production are consolidated with the financial statements of the Company with the noncontrolling interest's share of equity and income reflected on the balance sheet and statement of operations.

Anthem Prospects

On June 4, 2010, the Company entered into working interest participation agreements with Anthem Oil & Gas ("Anthem") for four prospects located in the Permian Basin of Texas for total consideration of $71,552. Under the terms of the participation agreements, Amen acquired the following interests:

Prospect	Working Interest to Casing Point: 1st Well	Working Interest to Completion	Working Interest After Payout
Four Corners	33.33%	25.00%	22.50%
Diamond Draw	26.67%	20.00%	18.00%
Nevins	33.33%	25.00%	22.50%
Wico	33.33%	25.00%	22.50%

Jon Morgan is a Director of the Company and is President and co-owner of Anthem. As compensation for securing the prospects for the Company, Anthem is receiving a 1/3rd for 1/4 carry to "casing point" election on the Company's interest for the first well. Thereafter, the Company will participate at the percentage shown above in the "Working Interest to Completion" column. Once the Company's initial investment is recovered ("payout"), it will convey 1/10th of its interest to the drilling company and retain the interest shown in the "Working Interest After Payout" column.

During 2010, the Company invested approximately $1 million in drilling projects related to these properties and recognized $470 thousand in dry hole expense.

NOTE H – ACCRUED LIABILITIES

Accrued liabilities consisted of the following at December 31, 2010 and December 31, 2009:

	2010	2009
Accrued oil & gas operating expenses	294,946	387,033
Accrued corporate tithing	13,223	47,893
Accrued officer bonuses	-	49,312
W Power shutdown expenses	93,774	-
Other liabilities	75,252	62,636
Total Accrued Liabilities	$ 477,195	$ 546,874

NOTE I – INCOME TAXES

There is no income tax expense or benefit to report for the years ended December 31, 2010 and 2009. A reconciliation of income taxes at the statutory rate to the Company's effective rate is as follows for the years ended December 31:

		2010	2009
Tax at the statutory federal rate of 34% on income before taxes	$	(1,150,907)	153,117
Utilization of net operating loss		1,150,907	(153,117)
Income taxes	$	-	-

The main components of the net non-current deferred tax asset (liability) are as follows at December 31, 2010 and 2009:

	2010	2009
Net operating loss carry-forward	10,155,336	9,730,189
Valuation allowance	(10,155,336)	(9,730,189)
Net non-current deferred tax assets	-	-

NOTE J – LONG-TERM OBLIGATIONS

NEMA entered into twenty-two promissory notes (the "NEMA Notes") on May 18, 2006, effective April 1, 2006 totaling $3,230,051 to purchase 100% ownership interest in Priority Power Management, Ltd, a Texas limited partnership, and Priority Power Management Dallas, Ltd, a Texas limited partnership. The notes are due in quarterly installments of $142,985 beginning on September 30, 2006 with a final maturity of December 31, 2013. The term notes bear interest at a fixed rate per annum of 7.75%.

The NEMA Notes were paid in full during the third quarter of 2010.

NOTE K – RELATED PARTY TRANSACTIONS

Preferred Dividends

Certain directors and affiliated parties own shares of the Company's Preferred Stock as shown in the table below:

	Preferred D		Preferred E	
Related Party	**Face Value**	**Quarterly Dividend**	**Face Value**	**Quarterly Dividend**
Eric Oliver	$ 1,643,759	$ 34,930	$ 941,875	$ 23,547
Jon Morgan	-	-	596,501	14,913
Bruce Edgington	61,300	1,303	-	-
Jess Correll	1,479,384	31,437	2,619,335	65,483
Affiliates	183,900	3,908	1,272,536	31,814
Totals	**$ 3,368,343**	**$ 71,578**	**$ 5,430,247**	**$ 135,757**

Purchase of Oil & Gas Working Interests

As discussed in Note G, the Company purchased working interests from Anthem Oil & Gas. Jon Morgan, one of the Company's directors, is the President and co-owner of Anthem.

Purchase of Note Receivable

As discussed in Note D, the Company purchased a portion of a loan from First Southern National Bank. One of the Company's former directors, Jess Correll, is founder and Chairman of the Board for First Southern Bancorp, Inc., parent company of First Southern National Bank.

NOTE L – COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is subject to claims and lawsuits which arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the consolidated financial position of the Company.

NOTE M – STOCKHOLDERS' EQUITY

Series D Preferred Stock

As described in Note O, the Company issued 429,100 shares of Class D Preferred Stock on December 17, 2007 for total proceeds of $4,291,000 to finance the Company's investment in SFF Royalty and SFF Production. Below is a summary of the significant characteristics of the Preferred D:

- Pays a coupon of 8.5% annually.
- Has limited voting rights.
- Is not convertible into common stock.
- Is redeemable upon demand by the Company.

Certain of the Company's Directors purchased Preferred D Stock as described in Note K.

Series E Preferred Stock

As described in Note O, on December 31, 2008, the Company financed the purchase of additional membership interests in SFF Production, LLC totaling 45.8% via the issuance of 549,406 shares of Series E Preferred Stock for total proceeds of $5,494,060. Below is a summary of the significant characteristics of the Preferred E:

- Pays a coupon of 10% annually.
- Is convertible at a conversion price of $6/share into 915,677 shares of Amen Common Stock and has proportionate voting rights.
- Has a minimum holding period of three years during which time the Company cannot redeem.

Certain of the Company's Directors were issued Preferred E Stock as described in Note K.

Reverse Stock Split

On November 23, 2009, the Company's Board approved a reverse stock split of AMEN's common stock. As a result of the reverse stock split, every 100 shares of AMEN's common stock issued and outstanding immediately prior to the effective date of January 14, 2010 were combined into one share of common stock. Fractional shares were not issued and stockholders who otherwise would have been entitled to receive a fractional share as a result of the reverse stock split received an amount in cash equal to $4.00 per pre-split share for such fractional interests. 35,214 fractional pre-split shares were retired at a cost of $140,856. The number of shares of Amen's common stock issued and outstanding was reduced from 4,233,714 pre-split to 41,985 post-split.

The reverse stock split was approved by the non-unanimous written consent of Amen's stockholders on December 18, 2009. The number of shares of common stock subject to outstanding stock warrants and options or convertible securities, and the exercise prices and conversion ratios of those securities, will automatically be proportionately adjusted for the 1-for-100 ratio provided for by the reverse stock split.

NOTE N – STOCK OPTION PLAN

Since the inception of the Company, various options have been granted by the Board of Directors to founders, directors, employees, consultants and ministry partners. In February 1997, the Company authorized 671 additional shares of common stock to underlie additional options reserved for key employees and for future compensation to members of the Board of Directors. The Board of Directors also adopted and the Stockholders approved, the 1997 Stock Option Plan ("1997 Plan"), which provides for the granting of either qualified or non-qualified options to purchase an aggregate of up to 5,145 shares of common stock, inclusive of the 671 shares mentioned above, and any and all options or warrants granted in prior years by the Company. As of December 31, 2010, all options available under the 1997 Plan have been granted: 751 options have been exercised, and 225 options are outstanding which are fully vested and range in price from $350 to $6,136.

The 1998 Stock Option Plan ("1998 Plan") was approved by the Board of Directors in April 1998, with approved amendment in May 2000. The 1998 Plan gives the Company the authority to issue 300,000 options to purchase AMEN common stock. If any stock options granted under the 1998 Plan terminate, expire or are canceled, new stock options may thereafter be granted covering such shares. In addition, any shares purchased under the 1998 Plan subsequently repurchased by the Company, if management elects, pursuant to the terms hereof may again be granted under the 1998 Plan. The shares issued upon exercise of stock options under the 1998 Plan may, in whole or in part, be either authorized but unissued shares, or issued shares reacquired by the Company. As of December 31, 2010, 84 options have been exercised and 1,521 options are outstanding and are fully vested and range in price from $198 to $4,550.

AMEN Properties, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS, CONTINUED
December 31, 2010 and 2009

The table below summarizes the stock option activity for the period ended December 31, 2010:

Options Outstanding	Options Outstanding		Weighted Average Price
Outstanding December 31, 2009	2,100	$	684
Options exercised	(35)		198
Options forfeited	(322)		425
Options issued	--		--
Outstanding December 31, 2010	1,746	$	500

At December 31, 2010 the 1,746 outstanding options are fully vested and exercisable. They range in price from $198 to $6,136 and have a weighted average contractual maturity of 3.3 years.

NOTE O – INVESTMENT IN SFF GROUP

On December 17, 2007, the Company invested $7.6 million in SFF Royalty, LLC ("SFF Royalty") and $2.4 million in SFF Production ("SFF Production") in exchange for a one-third ownership interest in each entity. Also on December 17, 2007, SFF Royalty and SFF Production acquired the following properties from Santa Fe Energy Trust (the "Trust") and Devon Energy Production Company, LP ("Devon"):

	Acquired from the Trust			Acquired from Devon				
Acquiring Entity	Description		Purchase Amount	Description		Purchase Amount		Total Purchase
SFF Royalty	Net profits interests in royalty interests owned by Devon	$	21,077,688	Royalty interests subject to Trust's net profits interests	$	2,254,662	$	23,332,350
SFF Production	Net profits interests in working interests owned by Devon		6,072,125	Working interests subject to Trust's net profits interests		649,531		6,721,656
Totals		$	27,149,813		$	2,904,193	$	30,054,006

The Company's Investment in SFF Group consisted of the following at December 31, 2010 and December 31, 2009:

	2010	2009
Investment in SFF Group	$ 4,012,427	$ 5,304,357
Capital Distributions	(1,333,333)	(1,066,666)
Equity Earnings	81,776	(225,264)
	$ 2,760,870	$ 4,012,427

A portion of the Company's investment and equity earnings results for the first quarter of 2010 are based on the results of SFF Royalty, LLC. SFF Royalty, LLC reported the following consolidated financial information at December 31, 2010:

	SFF Royalty
Total Assets	$ 8,590,116
Total Liabilities	92,503
Net Income	245,343