

PINK SHEETS, LLC
ISSURER'S CONTINUING DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2015, 2014

Item 1 Exact name of the issuer and the address of the principal executive offices:

Humble Energy, Inc.
35421 Kanis Road
Paron, Arkansas 72122

Item 2 Shares Outstanding

Total number of outstanding shares as of 12/31/2015 was 26,116,400, 2014
25,310,600

Item 3 12 months ending December 31, 2015, 2014 Financial Statements

HUMBLE ENERGY, INC.
DECEMBER 31, 2015, 2014
CONSOLIDATED BALANCE SHEET
UNAUDITED

	<u>2015</u>	<u>2014</u>
<u>Assets:</u>		
<u>Current assets</u>		
Checking	\$ 1,131	\$ 12,017
Investment accounts	450	0
Accounts receivable	<u>77,025</u>	<u>\$ 77,025</u>
Total current assets	\$ 78,606	\$ 89,042
 Other assets		
Depletable oil & gas assets	\$ 620,237	\$ 602,237
Accumulated depletion	<u>(13,000)</u>	<u>(11,000)</u>
Total depletable assets	\$ 607,237	\$ 591,237
 Inventory dehumidification ATT	\$ 100,419	\$ 105,419
Equipment ATT	18,000	18,562
Patents ATT	<u>166,000</u>	<u>166,264</u>
Total ATT assets	\$ 284,419	\$ 290,245
Investments (coal, Power Klean) at cost		
Ltd. Partnership Paris Coal Field (coking coal)	\$ 650,000	\$ 650,000
Scranton Mineral Associates Ltd. Scranton		
Coal Fld. Semi Anthracite Coal (owned in fee)	<u>1,750,000</u>	<u>1,750,000</u>
Coal investments	\$ 2,400,000	\$ 2,400,000
Power Klean Internal Engine Cleaner	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Investments total	\$ 2,450,000	\$ 2,450,000
Total other assets	\$ 3,311,656	\$ 3,331,482
Total assets	\$ 3,420,262	\$ 3,420,524

LIABILITIES AND SHAREHOLDERS' EQUITY

	<u>2015</u>	<u>2014</u>
Current liabilities:		
Accounts payables	\$ 4,450	\$ 3,549
Accrued payables	<u>25,683</u>	<u>28,541</u>
Total liabilities	\$ 30,133	\$ 32,070
Shareholder's equity:		
Common stock \$.001 par, 250,000,000 shs. authorized 26,116,400 shs. outstanding	\$ 3,237,584	\$ 3,237,584
Preferred stock	79,575	\$ 79,575
Retained earnings	62,191	\$ 71,102
Net income	<u>3,600</u>	<u>(15,807)</u>
Total stockholder's equity	\$ 3,390,129	\$ 3,388,454
Total liabilities and Shareholder's equity	\$ 3,420,262	\$ 3,420,524

FOR THE TWELVE MONTHS ENDED **December 31, 2015, 2014** **UNAUDITED**

	<u>2015</u>	<u>2014</u>
Revenues :		
Oil and natural gas sales	\$ 37,212	\$ 70,145
Leasing oil & gas	0	0
Netted oil and gas sales		
Total revenue	\$ 37,212	\$ 70,145

Operating expenses:

Banking	\$ 1,078	35
Contract labor	1,820	0
Corporate Stock Transfer	2,432	1,250
Draws	600	0
Credit cards	0	1,094
Franchise tax	570	1,355
Interest	0	1,250
Legal and accounting	231	0
Management fee	6,450	20,750
Medical	2,374	5,752
Miscellaneous	1,200	9,112
Rent	5,667	6,833

Repairs & Maintenance	\$ 533	\$ 2,008
Office	47	1,117
OTC Markets	3,250	4,500
Severance Taxes	2,983	6,145
Other Taxes	0	488
Telephone	2,276	2,770
Travel	750	1,452
Well Expense	<u>3,934</u>	<u>20,041</u>
Total expenses	\$ 36,195	\$ 85,952
Gain or (loss) from operations	\$ 1,017	\$ (15,807)

HUMBLE ENERGY, INC.
CONSOLIDATED STATEMENT OF
SHAREHOLDER'S EQUITY
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2015, 2014

	DOLLARS	SHARES
BALANCE	\$ 1.000	1,000
April 30, 2009	0	953,698
May 1, 2009 Well purchase	134,918	9,000,000
June 30, 2009 Issued for services	11,529	900,000
Total June 30, 2009	149,377	10, 854,698
Total December 31, 2013	3,270,817	25,000,000
Total December 31, 2014	3,388,454	26,080,850
Total December 31, 2015	3,390,129	26,116,400

HUMBLE ENERGY, INC.
CONSOLIDATED STATEMENT
OF CASH FLOWS FOR THE TWELVE MONTHS ENDED
DECEMBER 31, 2015, 2014
UNAUDITED

	<u>2015</u>	<u>2014</u>
Cash flow from operating activities:		
Net income (loss)	\$ 1,017	\$ (15,807)
Unrealized gain on investments	0	0
Adjustments to reconcile net income (loss) to		
Net cash provided by operating activities		
Depreciation, depletion and amortization	13,000	11,000
Changes in operating assets and liabilities		
Trade accounts payable		
Contingent trade accounts payable	<u>25,683</u>	<u>28,521</u>

Net cash provided by operating activities	\$ 39,700	\$ 23,262
Cash flows from financing activities		
Cash received from sale of stock	\$ 0	\$ 28,069
Distribution to owners	0	\$ 0
Net cash used by financing activities		
Net increase ((decrease) in cash	\$ (10,886)	\$ (4,348)
Cash-beginning of period	\$ 12,017	16,365
Cash-end of period	\$ 1,131	\$ 12,017
Supplemental disclosure of non-kind services	\$ 0	\$ 0
Capital contributions of in-kind services	\$ 0	\$ 0
Common stock issued	26,088,850	25,310,600

HUMBLE ENERGY, INC.

NOTES TO UNAUDITED FINANCIAL STATEMENTS

DECEMBER 31, 2015

NOTE 1-SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

HISTORY

Humble Energy, Inc. was organized as Netrom, Inc. on April 9, 1966. The company changed its name to Tempest Trading Technologies, Inc. on June 23, 2003. On February 25, 2009, the state of domicile was changed from California to Nevada and the issuer's name was changed to Humble Energy, Inc. The common stock was reverse split 150 to 1. On May 2, 2009, the Company acquired assets, producing oil and gas wells, from trusts controlled by David R. Kane for 9,000,000 shares.

The Company completed an audit for the years 2009 and 2010. The Balance Sheet and Statement of income are incorporated into this report. Management believes that the Jobs Act should make it much easier to raise capital for small companies through Group Funding. Group funding eliminates many restrictions on the amount and number of investors that can participate in capital raising for a company. The largest issue in the timing of an offering for Humble is the price of natural gas down 60%, and oil 70% in the last 12 months.

Effective as of December 31, 2013 the Company merged Humble Petroleum, Inc., a Texas Corporation, into the public company. The transaction was based upon one for one common stock of Humble Energy, Inc. for all of the assets of Humble Petroleum, Inc.

The Oil and Gas Journal ranks the 150 largest oil and gas companies each year. With reference to the September 2012 Oil and Gas Journal the combined companies ranked 136 in assets and because of a profit in 2013 it would rank in the top 96th based on net operating income.

The Oil and Gas Journal December 31, 2013 ranked Humble Energy, Inc. as the 135th largest energy production company by assets in the U.S. a move up of 1 place Humble ranked 85th in profit moving up from 96th a year earlier.

The Oil and Gas Financial Journal has a quarterly report and Humble Energy, Inc. is ranked as the 119 largest oil and gas company in the U.S. That is up from 135 in 2013. The profit amount was 65 in rank up from 85. We believe that the rank will be higher in 2016 but it will be the tremendous losses of the other 150 largest oil and gas companies. Humble has not had the benefit of leverage when prices were on the way up but it is now benefiting from the lack of leverage on the prices on the way down. Many companies have already ceased operations and several are in bankruptcy. Thousands of jobs in the oil industry have been lost. It is generally believed that the cost to produce a barrel of oil in the U.S. is \$40 and \$4.00 per thousand cubic feet per 1000 cubic feet of natural gas. If you are getting \$30 and \$2.00 you cannot make any money. That is now the case in the oil and natural gas industry.

ACCOUNTING

All significant inter-company transactions have been eliminated in the preparation of these financial statements.

Cash and cash equivalents

For the purposes of the Statement of Cash Flows, the Company considers all short term debt to be cash equivalents. There was no payment set aside for income taxes during the period.

Inventories

Inventories are valued at the lower of cost or market basis using the first-in first-out method of costing.

NOTE 2-THE TRANSACTION

The evaluation of assets is not an arms length and due to the management control of both companies there is no assurance that the evaluation is either fair or accurate. In 2001 an audit revealed that the ATTI assets were valued at \$1,000,000. These assets are valued on this balance sheet at \$290,544, which is below cost. The coal limited partnerships are valued at cost and the oil and gas assets are valued at cost of purchase plus additional drilling capital costs. Power Klean, an internal engine cleaner, that reduces wear, cuts pollution and eliminates 85% of gunk and carbon in the engine. It is valued at \$50,000. A royalty agreement for 40,000,000 tons of coal as mined is valued at zero.

The value of the stock traded to Humble Petroleum, Inc. for this transaction was 14,145,302 shares times the closing price of \$.51 on December 31, 2013 \$7,214,104. There is a case to be made for marking the assets acquired to \$7,214,104 from the trade amount \$3,304.357.

This argument is further substantiated by asset appraisal of the natural gas assets. At the stated value at cost of \$ 606,342 the income in 2014 was 10% of value.. It is 8.35 years for payout.

CONTINUING ACTIVITIES

In October the Company began participating in an 10 well program in Louisiana. The horizontal drilling program is located in the Cotton Valley Formation which is found in Arkansas, Louisiana and Texas. The company acquired 124 producing wells in the Haynesville shale formation in 2010 which led to this drilling. The Cotton Valley is a prolific sand formation that produces Oil, Natural Gas and other liquids. The first well was drilled to 10,000 feet vertical and 8,000 feet horizontal. **The well produced more than 5,400,000 cubic feet of gas per day on a 44/64 choke since completion in January. It is also producing some condensate. This is a exceptional well.** Four more wells are drilled and completed. The Cotton Valley formation has a smaller decline curve than the shale horizontal wells drilled on our Haynesville shale leases. The wells are 150 miles from the Cheniere Liquefied natural gas Port on the Gulf Coast. The reason why the logistics are important to Humble is the natural gas is selling for \$12 per thousand in Europe and \$16 in Asia. Our price is \$2.25 in the US. The Port will be shipping in the 4th quarter of 2015. This is one of several ports being built and has pipeline access from our wells.

The four wells have now been completed and they are almost double the first. They were producing 55,000,000 cubic feet per day and 60 barrels of oil per day on a 58"/64th choke. That is over \$100,000 per day 3,000,000 per month even at \$ 2 per cubic feet.

On February 22, 2015 management learned that a shortage existed on accounts outside the Company used for the sale of common shares of Humble Petroleum, Inc. Negotiations began to bring the account into balance and to cease further shortages immediately. An agreement has been reached to bring the account into balance. Since the agreement some progress has been made and the Company believes that full resolution will come this year. The shortage is 2% of the assets of the Company. It could be much more in opportunity costs. The new stockholders have been protected.

Property and equipment

Property and equipment are carried at cost. Maintenance repairs, office equipment and supplies are expensed as incurred. Oil and gas re-completions are capitalized and written off as depleted. Depreciation of property and equipment is provided for on a straight line basis over their estimated useful lives as follows:

Office Equipment	5 years
Computers	5 years
Video	5 years
Editing Equipment	5 years

Board Designs	3 years
Computer programs	3 years

Income taxes

At December 31, 2010, the Company had a net loss of \$18,256 and a loss of \$5,967 in 2011, \$1,665 in 2012 and a consolidated profit \$28,898 in 2013. The Profit in December 31,2015 was \$ 1017 on sharply lower revenue. The Company made no provision for income taxes payable, if any, in this financial report. Humble Energy, Inc. has a substantial loss carry forward.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates used for the preparation of these financial statements are the value of fixed assets purchased and depreciable lives of the assets purchased. See note 2.

On May 1, 2009, the Company entered into an Asset Purchase Agreement to purchase producing oil and gas wells from three trusts controlled by David R. Kane.

<u>Name</u>	<u>No. of Wells</u>	<u>Predecessor's Cost</u>	<u>Consideration</u>
The Trust Humble	28	\$7,687	567,000 shs.
The Trust Humble II	22	\$71,008	5,220.000 shs.
The Humble Oil Trust ii	32	\$43,694	3,213,000 shs.

The value established by management is the actual cost paid for the oil and gas wells by the Trusts at auction. Wells drilled and completed after auction are carried at cost. Management has made no attempt to verify that the price paid by the Trusts was fair market values. The value assigned is a significant estimate used in the preparation of these financial statements.

Management has assigned a depreciable life to these wells (Note 1) is a significant estimate. The Company assigned a significant estimate used in the preparation of these financial statements.

Evaluated Company Reserves, oil and natural gas

In 2011, a reserves study was completed by a petroleum engineering firm in Tulsa, Oklahoma. This study showed reserves were 612,743,000 cubic feet of natural gas. The decline factor was 10% per year over 10 year period. The value of the reserves was \$2,144,671. They were valued at \$3.50 per mcf. The reserves are carried on the financial statement as of September 2012 at \$145,887. After the transaction the reserves are valued at \$ 596,100.

NOTE 3- EQUITY**Preferred Stock**

The Company is authorized to issue 1,000,000 preferred shares at .001 par value. The Company has no preferred stock outstanding. The December 31, 2013 purchase does not anticipate the use of Humble Energy, Inc. preferred stock. Humble Petroleum, Inc. has 79,575 convertible preferred shares outstanding that will be converted to Humble Energy, Inc. common stock.

Common stock

As of November 3, 2008, the Company had 250,000,000 common shares authorized with a par value of \$.001 per share. There were 10,854,698 shares outstanding as of December 1, 2013. After the purchase there are 25,091,400 shares outstanding. Currently there are 26,116,400 outstanding.

NOTE 4-RELATED PARTIES

The Company has had a number of transactions with related parties.

NOTE 5-COMMITMENTS

The Company has no commitments.

NOTE 6-GOING CONCERN

The Company has consistently increased its assets but has not generated significant revenues or profits to date. This factor, among others, may indicate the Company will be unable to continue as a going concern. The Company has no bank debt and only a small amount of operating expense debt which makes it a viable company in most circumstances. The Company's continuation as a going concern depends upon its ability to generate sufficient cash flow to conduct its operations and its ability to obtain additional sources of capital and financing. The accompanying financial statements do not include any adjustment that might result from the outcome of this uncertainty. Humble estimates that at least 50% of its annual natural gas production by dollars is now shut-in awaiting an increase in natural gas prices. The price of natural gas in 2012 dropped to a 10 year low of \$1.82 per 1000 cubic feet. Last year the price rose briefly to \$6.05 per mcf. It is currently above \$3.00 on the Junel futures contract. Management believes that the price of natural gas will rise slowly over time as the many uses of the gas increases. The company makes money above \$4.00 because it has low fixed cost. In the 2009 and 2010 audit Going Concern was not addressed. With the steady rise in profitability and income growth it is management's belief that it will continue to remain a non-issue.

NOTE 7-MANAGEMENT PLANS AND DISCUSSION OF THE OIL AND GAS INDUSTRY

The Company plans to aggressively purchase additional wells. As it was with the first two purchases, the purchases will be for stock and or cash. The Company will continue its purchase of oil and gas producing properties in areas where shale zone production is in play. Shale gas is

usually in lower zones as it was in the Haynesville shale in Louisiana. In the Haynesville shale Humble participated in the drilling of deeper shale wells after buying 123 gas wells in the area. These wells were drilled by the operators EP Exploration and Production and XTO a company owned by Exxon Mobil. In addition the Company continues to encourage the operators to shut-in wells that are selling natural gas below cost. Shut-in procedures in operating agreements allow the companies to shut-in the wells while retaining the lease and produce them when the price rises.

In 2008 the price of natural gas futures reached a high of \$15.70 per 1000 cubic feet (mcf). The cash price at the well head was between \$8.00 and \$13.00 depending upon the well location. In 2009, the futures price of natural gas fell to \$2.38, while in April 2012 the price fell to a 10 year low of \$1.82. Since that time the price has dropped below \$1.70. The company received payments as low as \$1.65. The cost of producing an mcf of natural gas for the Company averages \$4.00. In the fourth quarter of 2009 the largest producing 19 wells in Wyoming were shut-in. These wells have continued to remain shut-in with a cost of operation at \$6.00 per mcf. Wells that produce gas as well as liquids such as condensate, wet gas and oil usually are not shut-in because the price of the liquids continue to price around \$30.00 per barrel. The Energy Information Agency, the last word in US energy says that there is a 20% oversupply of natural gas. During the current cold weather storage facilities drained 97 billion cubic feet in one week. The mass migration from coal to produce electricity by natural gas and solar is underway. 30% of the electricity in the US is produced by using natural gas. In April of 2015 the amount of natural gas used exceeded coal use for the first time and it is expected to continue its usage.

New uses for natural gas as a transportation fuel is gaining favor. 2.5 million barrels of oil per day are used to power heavy duty trucks. Orders are being placed for large trucks by major trucking firms, mail, garbage, and city vehicles that require more torque than can be produced by electric engines. A natural gas highway on interstates enables long haul trucks to use natural gas. The Natural Gas Super Highway is now complete with access to natural gas fueling stations for 18 wheelers is no more than 150 miles apart. The price of gas to oil equivalent is currently \$1.30 per gallon. In addition to being half the price of gasoline or diesel, natural gas is 50% cleaner for the environment with no Mercury. Cheaper, Cleaner and Abundant is a winning combination. Exporting natural gas is another use of our vast resources. The price of natural gas is not traded on a world basis like oil but instead on a regional basis. The price of natural gas in Europe is \$12, \$8 in Britain, \$16 in China and Japan. Russia is the exporter and they are using their position to threaten supply and extract a price. Humble will be a player here as the US ports shipped their first shipment in January of 2016. This will offer some relief for the oversupply.

Changing natural gas to oil has been possible since the 1940's. The agent that was used initially was iron. Recently, cobalt has become a better agent. This process has also been used to convert coal to oil. Standard Oil of New Jersey sold this process to Germany before WWII. It fueled their war machine. Today Sasol, a South African company is building plants that will produce 175,000 barrels of oil per day by converting natural gas to oil. This will not make an

impact on the price of natural gas for the foreseeable future. Sasol is building conversion plants around the world.

In April of 2015 natural gas replaced coal as the number one fuel burned producing electricity.

Chemical and fertilizer companies use large amounts of natural gas to build their products. BSAF a German company is completing a large complex on the Gulf Coast to take advantage of the low cost of our natural gas. Europe at \$12 and \$4.00 in US was the deciding factor.

Humble is in the forefront of a Game-Change in energy. Some have called this the Third Industrial Revolution. The first was brought about by steel and oil. The second was the computer, the internet and the information age. The 120 year supply of natural gas is bringing the next revolution to the United States.

The Company believes that the Energy Revolution will be led by natural gas but all forms of energy will be needed. Because of cheap energy the US will regain its position of manufacturing leader with jobs moving back to the US.

Metallurgical coal of the quality owned by Humble should add to the bottom line as steel plants are moving into this region. Nucor and the Koch Brothers are currently building steel plants in Arkansas.

Certain of the matters discussed in this report constitute "forward-looking statements" within the meaning of the Private Securities Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those anticipated. Such statements are based on management beliefs as well as assumptions and currently available to management. When used herein "anticipate", "intend", "estimate", "believe", "expect", "plan", "should", "hypothetical", "potential", "forecast", "project", variations of such words and similar expressions are intended to identify forward-looking statements. Factors that may influence actual results to differ from those often presented with the forward looking statement themselves. Accordingly the Act states that there is no need on the part of management to change, report or clarify these statements.

NOTE 8-LEGAL PROCEEDINGS

None

NOTE 9-DEFAULT ON SENIOR SECURITIES.

None

Note 10-OTHER INFORMATION..

None

NOTE 11-EXHIBITS.

None

NOTE 12-CERTIFICATIONS.

None

I David R. Kane, certify that:

- (1) I have reviewed the Issuer's Continuing Disclosure Statement of Humble Energy, Inc.
- (2) Based on my knowledge, this Disclosure Statement does not contain any untrue statement of material facts, or omit to state a material fact necessary to make the statements made, in light of the circumstances under which statements were made, not misleading with respect to the period covered by this Disclosure Statement and
- (3) Based on my knowledge, the financial statements and or other financial information included or incorporated by reference in this Disclosure Statement fairly presents in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the period presented in this Disclosure Statement.

Date: March 10, 2015

/s/ David R. Kane

David R. Kane, President

I Robert L. Cashman, certified that:

- (4) I have reviewed the Issuer's Continuing Disclosure Statement of Humble Energy, Inc.
- (5) Based on my knowledge, this Disclosure Statement does not contain any untrue statement of material fact, or omit to state a material fact necessary to make the statements made, in light of the circumstances under which statements were made, not misleading with respect to the period covered by the Disclosure Statement and
- (6) Based on my knowledge, the financial statements and other financial information included or incorporated by reference in this Disclosure Statement fairly presents in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the period presented in this Disclosure Statement.

Date: March 10, 2016

/s/ Robert L. Cashman

Robert L. Cashman, Chief Financial Officer

