

Millennium Energy Corp.

(Formerly Third Millennium Industries Inc.)

[A Development Stage Company]

*Financial Statements as of March 31, 2014 and December 31, 2013
and for the Three Months Ended March 31, 2014 and 2013 and for
the Period from September 28, 2010 through March 31, 2014*

Millennium Energy Corp.
[A Development Stage Company]

TABLE OF CONTENTS

	Page
Balance Sheets-March 31, 2014 and December 31, 2013	2
Statements of Operations for the three months ended March 31, 2014 and 2013, and for the period from September 28, 2010 through March 31, 2014	3
Statements of Stockholders' Equity/(Deficit) for the period from September 28, 2010 through March 31, 2014	4
Statements of Cash Flows for the three months ended March 31, 2014 and 2013, and for the period from September 28, 2010 through March 31, 2014	5
Notes to Financial Statements	6-17

MILLENNIUM ENERGY CORP.
(Formerly Third Millennium Industries Inc.)
[A DEVELOPMENT STAGE COMPANY]
BALANCE SHEETS
March 31, 2014 and December 31, 2013

ASSETS

	March 31, 2014	December 31, 2013
CURRENT ASSETS:		
Cash	\$ -	\$ -
Prepaid expenses	<u>200,000</u>	<u>-</u>
Total Current Assets	<u>200,000</u>	<u>-</u>
PROPERTY AND EQUIPMENT		
Oil and natural gas properties (successful efforts method)	<u>8,000,000</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 8,200,000</u>	<u>\$ -</u>

LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)

CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 79,023	\$ 68,937
Notes payable	<u>111,359</u>	<u>89,775</u>
Total Current Liabilities	<u>190,382</u>	<u>158,712</u>
LONG TERM LIABILITIES		
Asset retirement obligation	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>190,382</u>	<u>158,712</u>
STOCKHOLDERS' EQUITY/(DEFICIT):		
Preferred stock, Class A		
5,000,000 shares authorized, \$.0001 par value, 1,000,000 shares		
issued and outstanding at March 31, 2014 and December 31, 2013	100	100
Common stock, \$.001 par value; 883,000,000 shares authorized;		
82,113,601 and 113,601 shares issued and outstanding		
at March 31, 2014 and December 31, 2013	82,114	114
Additional paid-in capital	9,612,678	1,494,678
Retained (deficit)	(1,405,781)	(1,405,781)
Deficit accumulated during the development stage	<u>(279,493)</u>	<u>(247,823)</u>
Total Stockholders' Equity/(Deficit)	<u>8,009,618</u>	<u>(158,712)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY/(DEFICIT)	<u>\$ 8,200,000</u>	<u>\$ -</u>

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

MILLENNIUM ENERGY CORP.
(Formerly Third Millennium Industries Inc.)
[A DEVELOPMENT STAGE COMPANY]
STATEMENTS OF OPERATIONS
For The Three Months Ended March 31, 2014 and 2013 and For The Period
From September 28, 2010 to March 31, 2014

	Three Months Ended March 31,		September 28, 2010 to March 31,
	2014	2013	2014
REVENUES	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-
EXPENSES:			
General and administrative expenses	21,584	2,199	200,470
TOTAL OPERATING EXPENSES	21,584	2,199	200,470
NET OPERATING LOSS	(21,584)	(2,199)	(200,470)
OTHER (EXPENSE)			
Interest expense	(10,086)	(4,792)	(79,023)
TOTAL OTHER (EXPENSE)	(10,086)	(4,792)	(79,023)
NET (LOSS)	\$ (31,670)	\$ (6,991)	\$ (279,493)
EARNINGS (LOSS) PER SHARE	\$ (0.00)	\$ (0.06)	
WEIGHTED AVERAGE SHARES OUTSTANDING- BASIC AND DILUTED	19,246,934	113,601	

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

MILLENNIUM ENERGY CORP.
(Formerly Third Millennium Industries Inc.)
[A DEVELOPMENT STAGE COMPANY]
STATEMENTS OF STOCKHOLDERS' EQUITY/(DEFICIT)
For The Period From September 28, 2010 To March 31, 2014

	Preferred Stock		Capital Stock		Additional	Deficit	Accumulated	Net
	Shares	Amount	Shares	Amount	Paid-in	Accumulated	(Deficit)	Stockholders'
					Capital	during the		Equity/(Deficit)
						Development		
						Stage		
BALANCE, September 28, 2010	-	\$ -	23,400	\$ 23	\$ 1,405,758	\$ -	\$ (1,405,781)	\$ -
Net loss for the period ended December 31, 2010	-	-	-	-	-	(15,409)	-	(15,409)
BALANCE, December 31, 2010	-	-	23,400	23	1,405,758	(15,409)	(1,405,781)	(15,409)
Common and preferred stock issued for services	1,000,000	100	24,410	25	22,993	-	-	23,118
Net loss for the year ended December 31, 2011	-	-	-	-	-	(82,663)	-	(82,663)
BALANCE, December 30, 2011	1,000,000	100	47,810	48	1,428,751	(98,072)	(1,405,781)	(74,954)
Common and preferred stock issued for services	-	-	65,791	66	65,927	-	-	65,993
Net loss for the year ended December 31, 2012	-	-	-	-	-	(108,374)	-	(108,374)
BALANCE, December 31, 2012	1,000,000	100	113,601	114	1,494,678	(206,446)	(1,405,781)	(117,335)
Net loss for the year ended December 31, 2013	-	-	-	-	-	(41,377)	-	(41,377)
BALANCE, December 31, 2013	1,000,000	100	113,601	114	1,494,678	(247,823)	(1,405,781)	(158,712)
Common stock issued for oil and gas interests	-	-	80,000,000	80,000	79,920,000	-	-	8,000,000
Common stock issued for prepaid consulting services	-	-	2,000,000	2,000	198,000	-	-	200,000
Net loss for the three months ended March 31, 2014	-	-	-	-	-	(31,670)	-	(31,670)
BALANCE, March 31, 2014	1,000,000	\$ 100	82,113,601	\$ 82,114	\$ 81,612,678	\$ (279,493)	\$ (1,405,781)	\$ 8,009,618

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

MILLENNIUM ENERGY CORP.
(Formerly Third Millennium Industries Inc.)
[A DEVELOPMENT STAGE COMPANY]
STATEMENTS OF CASH FLOWS
For The Three Months Ended March 31, 2014 and 2013 and For The Period
From September 28, 2010 To March 31, 2014

	Three Months Ended March 31,		September 28, 2010 to March 31, 2014
	2014	2013	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net (Loss) from operations	\$ (31,670)	\$ (6,991)	\$ (279,493)
Adjustments to reconcile net loss to net cash used in operating activities:			
Issuance of shares for services	-	-	89,111
Changes in assets and liabilities:			
Increase in accounts payable and accrued expenses	10,086	4,792	79,023
Net cash provided/(used) by operating activities	(21,584)	(2,199)	(111,359)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase in notes payable	21,584	2,199	111,359
Net cash provided by financing activities	21,584	2,199	111,359
Net Increase in cash	-	-	-
CASH AT BEGINNING PERIOD	-	-	-
CASH AT END OF PERIOD	\$ -	\$ -	\$ -
SUPPLEMENTAL CASH FLOW INFORMATION:			
Cash paid for income taxes	\$ -	\$ -	\$ -
Cash paid for interest expense	\$ -	\$ -	\$ -
NON-CASH TRANSACTIONS			
Shares issued for consulting services	\$ -	\$ -	\$ 89,111
Shares issued for oil and gas properties	\$ 8,000,000	\$ -	\$ 8,000,000
Shares issued for prepaid consulting services	\$ 200,000	\$ -	\$ 200,000

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

MILLENNIUM ENERGY CORP.
(Formerly Third Millennium Industries Inc.)
[A DEVELOPMENT STAGE COMPANY]
NOTES TO FINANCIAL STATEMENTS
March 31, 2014 and December 31, 2013

NOTE 1 – Organization, History and Business Activity

Millennium Energy Corp. (the “Company”) was incorporated under the laws of the State of Nevada on February 16, 2001. The company was administratively abandoned and reinstated in September 2010 through a court appointed guardian-custodian. The Company is, as defined by Statement of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 915, *Development Stage Entities*. The Company's principal business is to seek and find business activities that it can finance and merge. It has yet to commence full-scale operations and it continues to develop its planned principal operations.

On March 10, 2014, the Company acquired an 85% working interest in seven natural gas wells and is now involved in the acquisition and management of fee mineral acreage and the exploration for and development of oil and natural gas properties, principally involving drilling wells located on the Company's mineral acreage. The Company's mineral properties and other oil and natural gas interests are all located in the United States, primarily in New Mexico. The Company's oil and natural gas production will be sold by the Company directly to independent purchasers.

The Company will from time to time sell or otherwise dispose of its interest in oil and natural gas properties as part of the normal course of business.

NOTE 2 - Significant Accounting Policies

This summary of significant accounting policies of Millennium Energy Corp. (the “Company”) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Concentration of Risk

The Company places its cash and temporary cash investments with established financial institutions.

Concentrations of Market Risk

The results of the Company's oil and natural gas operations are impacted by the market prices of oil and natural gas. The availability of a ready market for crude oil, natural gas and liquid products in the future depends on numerous factors beyond the Company's control, including weather, imports, proximity and capacity of oil and gas pipelines and other transportation facilities, any oversupply or undersupply of oil, gas and liquid products, the regulatory environment, the economic environment, and other regional and political events, none of which can be predicted with certainty.

The Company did not have any credit losses on the sale of oil, natural gas, natural gas liquids or hedging contracts.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Trade receivables are recognized and carried at the original invoice amount less allowance for any un-collectible amounts. An estimate for doubtful accounts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred. There were no bad debts for the period ended March 31, 2014.

Oil and Natural Gas Properties

The Company uses the successful efforts method of accounting for its oil and natural gas properties. Costs incurred by the Company related to the acquisition of oil and natural gas properties and the cost of drilling successful wells are capitalized. Costs incurred to maintain wells and related equipment and lease and well operating costs are charged to expense as incurred. Gains and losses arising from sales of properties are included in income. Unproved properties are assessed periodically for possible impairment. The Company had \$0 of non-producing properties as of March 31, 2014 and December 31, 2013 respectively.

Capitalized amounts attributable to oil and natural gas properties are depleted by the unit-of-production method. Depreciation and depletion expense for oil and natural gas producing property and related equipment was \$0 for the periods ended March 31, 2014 and December 31, 2013, respectively.

Capitalized costs are evaluated for impairment based on an analysis of undiscounted future net cash flows in accordance with ASC 360-10-15, *Impairment or Disposal of Long-Lived Assets*. If impairment is indicated, the asset is written

down to its estimated fair value based on expected future discounted cash flows. See *Note 4* for additional information regarding the oil and gas properties.

Environmental Costs

The Company is engaged in oil and natural gas exploration and production and may become subject to certain liabilities as they relate to environmental cleanup of well sites or other environmental restoration procedures as they relate to the drilling of oil and natural gas wells and the operation thereof. In the Company's acquisition of existing or previously drilled well bores, the Company may not be aware of what environmental safeguards were taken at the time such wells were drilled or during such time the wells were operated. Should it be determined that a liability exists with respect to any environmental cleanup or restoration, the liability to cure such a violation could fall upon the Company. No claim has been made, nor is the Company aware of any liability, which the Company may have, as it relates to any environmental cleanup, restoration or the violation of any rules or regulations relating thereto.

Asset Retirement Obligations

The Company accounts for asset retirement obligations in accordance with ASC 410-20, *Asset Retirement Obligations*. The asset retirement obligations represent the estimated present value of the amounts expected to be incurred to plug, abandon, and re-mediate the producing properties at the end of their productive lives, in accordance with state laws, as well as the estimated costs associated with the reclamation of the surrounding property. The Company determines the asset retirement obligations by calculating the present value of estimated cash flows related to the liability. The asset retirement obligations are recorded as a liability at the estimated present value as of the asset's inception, with an offsetting increase to producing properties. The Company recorded a liability of \$0 as of March 31, 2014 and December 31, 2013.

The estimated liability is determined using significant assumptions, including current estimates of plugging and abandonment costs, annual inflation of these costs, the productive lives of wells, and a risk-adjusted interest rate. Changes in any of these assumptions can result in significant revisions to the estimated asset retirement obligations. Revisions to the asset retirement obligations are recorded with an offsetting change to producing properties, resulting in prospective changes to depletion and depreciation expense and accretion of the discount. Because of the subjectivity of assumptions and the relatively long lives of most of the wells, the costs to ultimately retire the Company's wells may vary significantly from prior estimates.

Accounting for the Impairment of Long-Lived Assets (Non Oil and Gas Properties)

The Company accounts for the impairment of long-lived assets in accordance ASC 360-10-15, *Impairment or Disposal of Long-Lived Assets*, which requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the book value of the asset may not be recoverable. Recoverability of the asset is measured by comparison of its carrying amount to the undiscounted cash flow that the asset or asset group is expected to generate. If such assets or asset groups are considered to be impaired, the loss recognized is the amount by which the carrying amount of the property, if any, exceeds its fair market value, for non oil and gas properties.

The Company determined that there was no impairment of long-lived (non oil and gas property) assets for the periods ended March 31, 2014 and December 31, 2013.

Fair Value of Financial Instruments

Effective January 1, 2008, the Company adopted FASB ASC 820, Fair Value Measurements and Disclosures, Pre Codification SFAS No. 157, "Fair Value Measurements", which provides a framework for measuring fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The standard also expands disclosures about instruments measured at fair value and establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1 — Quoted prices for identical assets and liabilities in active markets;
Level 2 — Quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; and model-derived valuations in which all significant inputs and significant value drivers are observable in active markets; and
Level 3 — Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The Company designates cash equivalents (consisting of money market funds) and investments in securities of publicly traded companies as Level 1. The total amount of the Company's investment classified as Level 3 is de minimis.

The fair value of the Company's debt as of March 31, 2014 and December 31, 2013 approximated fair value at those times.

Fair value of financial instruments: The carrying amounts of financial instruments, including cash and cash equivalents, short-term investments, accounts payable, accrued expenses and notes payables approximated fair value as of March 31, 2014 and December 31, 2013, because of the relative short term nature of these

instruments. At March 31, 2014 and December 31, 2013 the fair value of the Company's debt approximates carrying value.

Stock-based Compensation

The Company records stock-based compensation in accordance with ASC 718, *Compensation - Stock Based Compensation* and ASC 505, *Equity Based Payments to Non-Employees*, which requires the measurement and recognition of compensation expense based on estimated fair values for all share-based awards made to employees and directors, including stock options.

ASC 718 requires companies to estimate the fair value of share-based awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option-pricing model as its method of determining fair value. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company's expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

All transactions in which goods or services are the consideration received for the issuance of equity instruments are accounted for based on the fair value of the consideration received or the fair value of the equity instrument issued, whichever is more reliably measurable.

Revenue Recognition

The Company recognizes revenue in accordance with the ASC 605-10, which states that revenues are generally recognized when it is realized and earned. Specifically, the Company recognizes revenue when services are performed and projects are completed and accepted by the customer.

Revenues from sales of crude oil and natural gas products are recorded when deliveries have occurred and legal ownership of the commodity transfers to the purchaser. Revenues from the production of oil and natural gas properties in which the Company shares an undivided interest with other producers are recognized based on the actual volumes sold by the Company during the period.

The Company recognizes gains or losses from the sales of its interests in oil and natural gas properties as title passes to the buyer. These amounts are recognized as income from asset sales, net.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting periods. Management makes these estimates using the best information available at the time the estimates are made; however actual results could differ materially from those estimates.

Income Taxes

The Company accounts for income taxes under an asset and liability approach. This process involves calculating the temporary and permanent differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The temporary differences result in deferred tax assets and liabilities, which would be recorded on the Company's balance sheets in accordance with ASC 740, which established financial accounting and reporting standards for the effect of income taxes. The Company must assess the likelihood that its deferred tax assets will be recovered from future taxable income and, to the extent the Company believes that recovery is not likely, the Company must establish a valuation allowance. Changes in the Company's valuation allowance in a period are recorded through the income tax provision on the consolidated statements of operations.

On January 1, 2007, the Company adopted ASC 740-10 (formerly known as FIN No. 48, Accounting for Uncertainty in Income Taxes). ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribes a recognition threshold and measurement attributes for financial statement disclosure of tax positions taken or expected to be taken on a tax return. Under ASC 740-10, the impact of an uncertain income tax position on the income tax return must be recognized at the largest amount that is more-likely-than-not to be sustained upon audit by the relevant taxing authority. An uncertain income tax position will not be recognized if it has less than a 50% likelihood of being sustained. Additionally, ASC 740-10 provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As a result of the implementation of ASC 740-10, the Company recognized no material adjustment in the liability for unrecognized income tax benefits.

Segments

The Company operates in only one business segment, namely the drilling and development of oil and gas properties.

Loss Per Share

The Company is required to provide basic and dilutive earnings (loss) per common share information.

The basic net loss per common share is computed by dividing the net loss applicable to common stockholders by the weighted average number of common shares outstanding.

Diluted net loss per common share is computed by dividing the net loss applicable to common stockholders, adjusted on an "as if converted" basis, by the weighted average number of common shares outstanding plus potential dilutive securities.

For the periods ended March 31, 2014 and December 31, 2013, potential dilutive securities had an anti-dilutive effect and were not included in the calculation of diluted net loss per common share.

Recent Accounting Pronouncements

We do not expect the adoption of recently issued accounting pronouncements to have a significant impact on our results of operations, financial position or cash flow.

Reclassifications

Certain amounts have been reclassified and represented to conform to the current financial statement presentation.

NOTE 3 – Financial Condition and Going Concern

The Company's financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company incurred a net loss of \$279,493 (from operations during the development stage) for the period September 28, 2010 through March 31, 2014. It also sustained operating losses in prior years as well. These factors raise substantial doubt as to its ability to obtain debt and/or equity financing and achieve profitable operations.

Management intends to raise additional operating funds through equity and/or debt offerings. However, there can be no assurance management will be successful in its endeavors. Ultimately, the Company will need to achieve profitable operations in order to continue as a going concern.

There are no assurances that Millennium Energy Corp. will be able to either (1) achieve a level of revenues adequate to generate sufficient cash flow from operations; or (2) obtain additional financing through either private placement, public offerings and/or bank financing necessary to support its working capital requirements. To the extent that funds generated from operations and any private placements, public offerings and/or bank financing are insufficient, the Company

will have to raise additional working capital. No assurance can be given that additional financing will be available, or if available, will be on terms acceptable to Third Millennium Industries Inc. If adequate working capital is not available Third Millennium Industries Inc. may be required to curtail its operations.

NOTE 4 - Oil and Natural Gas Properties

The Company has the following oil and natural gas properties:

	December 31, <u>2013</u>	<u>Additions</u>	<u>Dispositions</u>	March 31, 2014
Oil and gas property:				
Tucumcari Exploration	\$ 0	\$8,000,000	\$ 0	\$8,000,000
Total	\$ 0	\$8,000,000	\$ 0	\$8,000,000

New Mexico Properties

Tucumcari Exploration Properties

On March 10, 2014, the Company acquired a 85% Working Interest (“WI”), which is a 85% Net Revenue Interest (“NRI”) in the Tucumacari Exploration Properties (“TEP”) and related properties for 80,000,000 common shares valued at \$8,000,000 based on an independent appraisal.

NOTE 5 – Income Taxes

Effective January 1, 2007, we adopted the provisions of ASC 740-10 (formerly known as FIN No. 48, Accounting for Uncertainty in Income Taxes). ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in a company’s financial statements. ASC 740-10 requires a company to determine whether it is more likely than not that a tax position will be sustained upon examination based upon the technical merits of the position. If the more-likely-than-not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial statements. The application of income tax law is inherently complex. Laws and regulation in this area are voluminous and are often ambiguous. As such, we are required to make many subjective assumptions and judgments regarding the income tax exposures. Interpretations and guidance surrounding income tax laws and regulations change over time. As such, changes in the subjective assumptions and judgments can materially affect amounts recognized in the balance sheets and statements of income.

At the adoption date of January 1, 2007, we had no unrecognized tax benefit, which would affect the effective tax rate if recognized. There has been no significant change in the unrecognized tax benefit during the three months ended March 31, 2014.

We classify interest and penalties arising from the underpayment of income taxes in the statement of income under general and administrative expenses. As of March 31, 2014, we had no accrued interest or penalties related to uncertain tax positions. The tax years 2013, 2012 and 2011 federal return remains open to examination.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The components of deferred income tax assets (liabilities) at March 31, 2014, were as follows:

	Balance	Rate	Tax
Federal loss carryforward (expires through 2033)	\$ 279,493	34%	\$ 95,028
Valuation allowance			(95,028)
Deferred tax asset			<u>\$ -</u>

At March 31, 2014, Millennium Energy Corp. has an a net operating loss carry forward for Federal income tax purposes totaling approximately \$279,493 which, if not utilized, will expire in the year 2034.

The following table summarizes the Company's net operating loss carry forwards:

<u>Amount</u>	<u>Expires</u>
15,409	2030
82,663	2031
108,374	2032
41,377	2033
31,670	2034

NOTE 6 – Note Payable

The Company has a convertible promissory note at March 31, 2014 in the amount of \$111,359. The note is unsecured and has an interest rate of 24% on the face amount of the note. The note was due December 31, 2012 and demand for payment has not been made.

The note can be converted into common stock of the Company at \$0.0001 per share.

The Company has accrued \$79,023 of interest on the above note at March 31, 2014.

NOTE 7 – Capital Changes

Common Stock

The Company issued 24,410 shares of its common stock in 2011 at \$.91 per share for services.

The Company issued 65,791 shares of its common stock in 2012 at \$1.00 per share for services.

The Company issued 80,000,000 shares of its common stock in 2014 at \$.10 per share for oil and gas interests.

The Company issued 2,000,000 shares of its common stock in 2014 at \$.10 per share for services.

NOTE 8 – Restructure and Amendment of the Articles of Incorporation

Restructure

The Company on May 23, 2011 amended its' articles of incorporation as follows

- 1 Authorized an increase in common shares to 888,000,000 shares whereby 883,000,000 will be common shares at \$.001 par value and 5,000,000 will be preferred shares at \$.0001 par value.

On February 21, 2014, the Company amended its Articles of Incorporation as follows:

1. The Company changed its name to Millennium Energy Corp.
2. The Company reverse split its common stock on a ratio of one share for every five hundred shares held.

NOTE 9 – Preferred Stock

The Company has one designation of its Preferred Stock on September 30, 2010-

Class A-\$.0001 par value, 1,000,000 shares designated. It was further resolved that one share of the Convertible Preferred Series A Stock shall be convertible into one thousand shares of common stock. Additionally, the Convertible Preferred Series A Stock shall be entitled to one thousand votes per share on any and all matters voted upon by the Corporation's Common Stock.

One million shares have been issued as of March 31, 2014.

NOTE 10 – Subsequent and Other Material Events

None

Note 11 - Supplemental Information on Oil and Gas Data

The following tables set forth supplementary disclosures for the Company's oil and gas producing activities in accordance with ASC 932, *Disclosures about Oil and Gas Producing Activities*.

Capitalized Costs Relating to Oil and Gas Producing Activities:

	March 31, 2014	December 31, 2013
Capitalized Costs:		
Oil & gas properties	8,000,000	0
Total Capitalized Costs	8,000,000	0
Less:		
Accumulated depreciation, depletion, amortization, and valuation allowance	0	0
Net Capitalized Costs	\$8,000,000	\$ 0

Costs Incurred in Oil and Gas Property Acquisition, Exploration, and Development Activities:

	March 31, <u>2014</u>	December 31, <u>2013</u>
Costs		
Incurred:		
Acquisition of		
properties	\$8,000,000	\$ 0
Drilling and		
Completion		
Development	<u>0</u>	<u>0</u>
Total Costs		
Incurred	<u>\$ 8,000,000</u>	<u>\$ 0</u>

Results of Operations from Oil and Gas Producing Activities:

	March 31, <u>2014</u>	December 31, <u>2013</u>
Revenues from Oil		
and Gas Producing		
Activity:	\$ 0	\$ 0
Revenue		
Distributions	<u>0</u>	<u>0</u>
Net Revenues from		
Producing Activities	0	0
Production Costs	0	0
Exploration		
Expenses	0	0
Depreciation,		
depletion,		
amortization, &		
valuation allowance	<u>0</u>	<u>0</u>
Pretax Income from		
Producing Activities	0	0
Income tax		
expenses/estimated		
loss carry forward		
benefit	<u>0</u>	<u>0</u>

Results of oil and
gas producing
activities

\$	0	\$	0
<u> </u>		<u> </u>	