

**Maverick Energy Group**  
**Financial Statements for the Years Ended December 31, 2010 and 2009**

**Management Certification**

Based on my knowledge, the accompanying financial statements and notes thereto present fairly, in all material respects, the financial condition as of December 31, 2010 and 2009 and the results of operation and cash flow for the years then ended of Maverick Energy Group, Ltd., in conformity with accounting principles generally accepted in the United States, consistently applied and hereby certified by Brice E. Bogle, Chief Financial Officer for Maverick Energy Group, Ltd.

March 31, 2010



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Chief Financial Officer

**Maverick Energy Group**  
**Balance Sheets**  
**as of December 31, 2010 and 2009**  
**(Unaudited)**

	2010	2009
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS:</b>		
Cash	\$ 1,044,940	\$ 639,934
Accounts receivable	1,007,766	1,183,459
Inventory	93,173	61,649
Other current assets	622,977	322,406
Current portion notes receivable		
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Total current assets	2,768,856	2,207,448
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<b>PROPERTY AND EQUIPMENT:</b>		
Unproved land	387,085	82,992
Equipment	752,048	889,797
Less accumulated depreciation	(501,060)	(440,186)
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Total property and equipment, net	638,073	532,603
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<b>OTHER ASSETS:</b>		
Investments	581,001	575,791
Notes receivable, net of current portion	55,000	
Other assets	93,978	62,357
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TOTAL ASSETS	\$ 4,136,908	\$ 3,378,199

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

**Maverick Energy Group**  
**Balance Sheets**  
as of **December 31, 2010 and 2009**  
(Unaudited)

	2010	2009
<b><u>LIABILITIES AND SHAREHOLDERS'</u></b>		
<b><u>EQUITY</u></b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 1,517,896	\$ 1,492,879
Line of credit	327,122	400,000
Current maturities of long term debt	92,116	92,155
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Total current liabilities	1,937,134	1,985,034
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LONG - TERM DEBT		66,092
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TOTAL LIABILITIES	\$ 1,937,134	
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SHAREHOLDERS' EQUITY		
Common stock, \$0.001 par value, 500,000,00 shares authorized, 131,084,189 and 130,561,189 outstanding, respectively	130,946	\$ 130,946
Additional Paid-in capital	158,857	158,857
Retained earnings	1,909,971	1,037,270
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Total stockholders' equity	2,199,774	1,327,073
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TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 4,136,908	\$ 3,378,199
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The accompanying notes are an integral part of these financial statements.

**Maverick Energy Group**  
**Statements of Income**  
**Years Ended December 31, 2010 and 2009**  
**(Unaudited)**

	2010	2009
Revenues	\$ 5,000,567	\$ 8,770,197
Costs incurred	4,026,971	7,820,762
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Gross margin	973,596	949,435
Selling, general and administrative expenses	(389,870)	(595,011)
Depreciation	(123,763)	(147,438)
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Income from operations	459,963	206,986
Partnership income (loss)	(17,150)	(161,430)
Other income (expense)	429,888	29,295
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Net income before income taxes	872,701	74,851
Provision for income taxes	<hr/>	<hr/>
Net income	<u>\$ 872,701</u>	<u>\$ 74,851</u>

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

**Maverick Energy Group**  
**Statements of Cash Flows**  
**Years Ended December 31, 2010 and 2009**  
**(Unaudited)**

	2010	2009
Cash generated (used) by operations		
Net income (loss)	\$ 872,701	\$ 74,851
Depreciation	123,763	147,438
Compensation paid in stock		1,600
Partnership loss	17,150	
Gain on disposition of assets	(36,052)	
Cash flows provided by (used for) changes in		
Accounts receivable	175,693	(330,355)
Inventory	(31,524)	(20,500)
Line of credit	(72,878)	
Other current assets	(300,571)	192,298
Accounts payable	25,017	(93,780)
Note receivable	(55,000)	120,000
Other assets	(31,621)	
Net cash generated (used) by operations	<u>686,678</u>	<u>91,552</u>
Cash generated from (used in) investing activities		
Purchases of property, plant and equipment		(45,806)
Acquisition of unproved land	(256,070)	
Proceeds from sale of assets	62,889	
Investments	(22,360)	183,942
Net cash used in investing activities	<u>(215,541)</u>	<u>138,136</u>
Cash generated from (used in) financing activities		
Payment of principal on debt	(66,131)	(98,752)
Net cash generated from financing activities	<u>(66,131)</u>	<u>(98,752)</u>
Net cash used	405,006	130,936
Cash, beginning of period	<u>639,934</u>	<u>508,998</u>
Cash, end of period	<u>\$ 1,044,940</u>	<u>\$ 639,934</u>
Supplemental information		
Cash paid for interest during period	<u>\$ 27,434</u>	<u>\$ 16,478</u>

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

**Maverick Energy Group**  
**Statement of Changes in Shareholders' Equity**  
**Years Ended December 31, 2010, 2009 and 2008**  
**(unaudited)**

	Number of Shares Outstanding	Common Stock \$0.001 Par	Additional Paid - In Capital	Retained Earnings	Total Shareholders' Equity
December 31,2008	130,924,189	\$ 130,786	\$ 157,417	\$ 962,419	\$ 1,250,622
Shares issued	160,000	160	1,440		1,600
Net income				74,851	74,851
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December 31,2009	131,084,189	\$ 130,946	\$ 158,857	\$ 1,037,270	\$ 1,327,073
Net income				872,701	872,701
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December 31,2010	131,084,189	\$ 130,946	\$ 158,857	\$ 1,909,971	\$ 2,199,774

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

**Maverick Energy Group, Ltd.**  
**Notes to Financial Statements**  
**(Unaudited)**

1. Basis of Presentation

The accompanying unaudited financial statements of Maverick Energy Group, Ltd. ("the company") do not include all information and footnotes necessary for a fair presentation of financial position, results of operations and cash flows in conformity with accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments and accruals) considered necessary for a fair presentation of the results of operations for the period presented have been included.

The preparation of 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from these estimates.

On March 30, 2006, the Pinnacle Group Unlimited, Inc. ("PGPU") purchased certain assets and assumed certain liabilities of Maverick Energy Group, Inc. ("Maverick") in exchange for 95,000,000 shares of its treasury stock. Maverick's management team assumed management of PGPU as part of the transaction. Effective October 3, 2006, PGPU changed its name to Maverick Energy Group, Ltd.

2. Other current assets

Other current assets includes receivables due the Company from entities for which it is the operator totaling \$274,213 and \$207,362 as of December 31, 2010 and December 31, 2009, respectively.

3. Unproved land

Unproved land represents approximately

- 100 and 1,200 net acres under lease in West Virginia as of March 31, 2010 and December 31, 2009. The leases are for five years with expirations beginning October 2010. The leases may be extended an additional five years at the Company's election and the payment of additional rentals.

During the first quarter 2010, the Company sold the approximate 1,100 acres for \$308,305.

- 725 acres in Caldwell County, Texas, acquired on July 23, 2010.

#### 4. Notes receivable

Notes receivable consists of a \$55,000 note bearing interest at 18%. The note is due upon demand and is expected to be repaid by August 2011.

#### 5. Investments

Investments, which are accounted for on the equity method, consist of the following:

	December 31, 2010	December 31, 2009
11.55% interest in owner of Big Foot Field, located in Frio and Atascosa counties, Texas	-	-
Equity Net Profits interest in the Big Foot Field	\$ 223,956	\$ 223,956
Interest in Limited Partnership	12,500	12,500
25% interest in a drilling program	30,808	30,808
12.5% interest in a drilling program	313,737	308,527
	<u>\$ 581,001</u>	<u>\$ 575,791</u>

#### 6. Debt

The Company's debt is comprised of the following:

	December 31, 2010	December 31, 2009
Notes payable to banks for equipment	\$ 92,116	\$ 158,247
Line of credit	337,498	400,000
	<u>\$ 419,238</u>	<u>\$ 558,247</u>

The line of credit is with a national bank at an interest related to the bank prime rate, which was 5.24% and 4.25% at December 31, 2010 and December 31, 2009, respectively.



## 7. Contingencies

The Company provides for costs related to contingencies when a loss is probable and the amount is reasonably estimable.

The Company, as an operator of oil and gas properties, is subject to various federal, state, and local laws and regulations relating to discharge of materials into, and protection of, the environment. These laws and regulations may impose liability on the operator of oil and gas lease or concession for the cost of pollution clean-up resulting from operations and also may subject the lessee to liability for pollution damages.

It is not possible for the Company to reliably estimate the amount and timing, if any, related to environmental matters because of the difficulty of predicting cleanup requirements and estimating cleanup costs, the uncertainty in quantifying liability under environmental laws that impose joint and several liability on all potentially responsible parties and the continually changing nature of environmental laws and regulations and the uncertainty inherent in legal matters.

## 8. Stock Compensation

During the fourth quarter of 2009, the Company issued 160,000 shares to an outside party and recorded \$1,600 of expense related to this transaction.