

EAGLE OIL HOLDING COMPANY, INC.
(An Exploration Stage Company)
Balance Sheets
UNAUDITED

Assets

	April 30, 2011	April 30, 2010
Cash	\$ 218	\$ -
Oil and gas rights, at cost	1,375,000	1,375,000
Property and equipment, net	1,304,684	1,381,854
Total assets	\$ 2,679,902	\$ 2,756,854

Liabilities and Stockholder's Equity

Current liabilities:

Cash overdraft	\$ -	\$ 57
Accrued expenses	508,857	443,430
Accrued interest	7,055	28,989
Notes payable	464,720	401,552
Total liabilities	\$ 980,632	\$ 874,028

Stockholder's equity:

Common stock, \$0.001 par value 300,000,000 shares authorized, 91,431,580 shares issued and outstanding as of as of April 30, 2011; 32,821,580 shares issued and outstanding as of April 30, 2010, respectively	91,432	35,222
Additional paid in capital	2,705,956	2,582,201
Accumulated deficit	(1,143,118)	(734,597)
Total stockholder's equity	1,882,826	1,882,826
Total liabilities and stockholder's equity	\$ 2,679,902	\$ 2,756,854

See accompanying Notes to Financial Statement

EAGLE OIL HOLDING COMPANY, INC.
(An Exploration Stage Company)
Statements of Operation

For the year ending April 30, 2010 and the period March 31, 2009 (inception)
through April 30, 2010
UNAUDITED

	Year ended April 30, 2011	Year ended April 30, 2010	Date of inception through April 30, 2011
<u>Revenues</u>			
Oil sales	\$ -	\$ -	\$ -
<u>Cost of goods sold</u>	-	2,500	2,500
Gross profit (loss)	-	(2,500)	(2,500)
<u>Operating expenses</u>			
Depreciation expense	77,170	83,602	167,739
General and administrative expense	324,296	574,615	936,611
Total operating expenses	401,466	658,217	1,104,350
Loss from operations	(401,466)	(660,717)	(1,113,905)
<u>Other expense</u>			
Interest expense	(7,055)	(29,213)	(36,268)
Loss before taxes	(408,521)	(689,930)	(1,143,118)
<u>Provision for income taxes</u>		-	-
Net loss	<u>\$(408,521)</u>	<u>\$(689,930)</u>	<u>\$(1,143,118)</u>
Net loss per share - basic	<u>\$(0.004)</u>	<u>\$(0.02)</u>	
Net loss per share - diluted	<u>\$(0.004)</u>	<u>\$(0.02)</u>	
Weighted average number of shares - basic	<u>91,431,580</u>	<u>34,994,183</u>	
Weighted average number of shares - diluted	<u>91,431,580</u>	<u>39,197,722</u>	

See accompanying Notes to Financial Statement

EAGLE OIL HOLDING COMPANY, INC.
(An Exploration Stage Company)
Statements of Cash Flows

**For the year ending April 30, 2010 and the period March 31, 2009 (inception)
through April 30, 2010**

UNAUDITED

	Year ended April 30, 2011	Year ended April 30, 2010	Date of inception through April 30 2011
<u>Cash flows from operating activities:</u>			
Net loss	(408,521)	\$(689,930)	(1,143,117)
Adjustments to reconcile net loss to net cash (used in) operating activities:			
Depreciation	77,170	83,602	167,739
Changes in current assets and liabilities:			
Cash overdraft	-	57	57
Accrued expenses	324,296	405,730	767,726
Accrued interest	7,055	28,989	36,044
Net cash (used in) operating activities	<u>0</u>	<u>(171,552)</u>	<u>(171,552)</u>
<u>Cash flows from financing activities:</u>			
Proceeds from notes payable	78,100	125,000	203,100
Proceeds from notes payable - related party		46,552	46,552
Net cash provided by financing activities	<u>78,100</u>	<u>171,552</u>	<u>249,652</u>
Net increase in cash		-	-
<u>Cash - beginning of period</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Cash - end of period</u>	<u>\$218</u>	<u>\$-</u>	<u>\$218</u>

Supplemental Disclosure of Cash Flow Information

Cash paid for interest	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>
Cash paid for income taxes	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>

Schedule of Noncash Investing and Financing Activities

Acquisition of oil and gas rights	\$-	\$ -	\$ 1,375,000
Acquisition of drilling and field equipment		-	1,472,423
Issuance of common stock	\$-	-	(2,847,423)
	<hr/>	<hr/>	<hr/>
Cash paid for equipment	\$-	\$ -	\$ -
	<hr/>	<hr/>	<hr/>
Conversion of notes payable - related party	55,600	110,000	166,600
Issuance of common stock	(55,600)	(110,000)	(166,600)
	<hr/>	<hr/>	<hr/>
Cash paid for principal payments on notes payable - related party	-	-	-
	<hr/>	<hr/>	<hr/>

See accompanying Notes to Financial Statement

EAGLE OIL HOLDING COMPANY, INC
(AN EXPLORATION STAGE
COMPANY)

Notes to the Financial Statements
For the Fiscal Year Ended April 30, 2011
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Note 1: Summary of Significant Accounting Policies:

The following items comprise the significant accounting policies of Eagle Oil Holding Company, Inc. ("the Company"). The policies reflect industry practices and conform to generally accepted accounting principles.

Organization:

The Company was incorporated in the State of Nevada on April 12, 2004.

Reverse Merger:

The Company was formed in Nevada in 2004 and was initially engaged in acquiring, developing, operating and selling real estate on Long Island, in New York State. On April 30, 2009, pursuant to the terms of a Stock Purchase Agreement between the Company and Eagle Environmental Technologies, Ltd., the Company acquired Eagle Oil Holding Company, Inc., a Nevada corporation, in exchange for the issuance of 28,500,000 newly issued shares of the Company's common stock (the "Acquisition") resulting in Eagle Oil Holding Company, Inc. becoming a wholly-owned subsidiary of the Company. The Company subsequently changed its name to Eagle Oil Holding Company, Inc.

This transaction is reflected as a recapitalization, and is accounted for as a change in capital structure. Accordingly, the accounting for the acquisition is identical to that resulting from a reverse acquisition. Under reverse acquisition accounting, the comparative historical financial statements of the Company as the legal acquirer, are those of the accounting acquirer, Eagle Oil Holding Company, Inc. The accompanying financial statements reflect the recapitalization of the stockholders' equity as if the transactions occurred as of the beginning of the first period presented. Thus, the shares of common stock issued to the former Eagle Oil Holding Company, Inc. stockholders are deemed to be outstanding for all periods reported prior to the date of the reverse acquisition.

Nature of Activities:

The Company was incorporated to engage in the acquisition and development of oil fields and sale of oil products.

Note 1: Summary of Significant Accounting Policies, Continued:

Long-Lived Assets:

In accordance with ASC 360 (formerly Statement of Financial Accounting Standards No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*), long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets in question may not be recoverable. An impairment would be recorded in circumstances where undiscounted cash flows expected to be generated by an asset are less than the carrying value of that asset.

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Fair Value of Financial Instruments:

ASC 825 (formerly Statement of Financial Accounting Standards No. 107 "Disclosures about Fair Value of Financial Instruments") requires disclosures of the fair value information whether or not recognized in the balance sheet where it is practicable to estimate that value. The carrying value of oil and gas rights and accrued expenses approximate fair value.

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.

Property and Equipment:

Property and equipment, carried at cost, are depreciated over the estimated useful lives of the related assets. Depreciation is computed substantially on the straight-line method for financial statement purposes and accelerated methods for income tax reporting purposes. Estimated useful lives are as follows:

	Life
Drilling and field equipment	5 -30 years

Codification of Accounting Standards:

The issuance of *FASB Accounting Standards Codification* (the "Codification") on July 1, 2009 (effective for interim or annual reporting periods ending after September 15, 2009), changes the way that U.S. generally accepted accounting principles ("GAAP") are referenced. Beginning on that date, the Codification officially became the single source of authoritative nongovernmental GAAP; however, SEC registrants must also consider rules, regulations, and interpretive guidance issued by the SEC or its staff. The switch affects the way companies refer to GAAP in financial statements and in their accounting policies. All existing standards that were used to create the Codification became superseded. Instead, references to standards will consist solely of the number used in the Codification's structural organization. Consistent with the effective date of the Codification, financial statements for periods ending after September 15, 2009, refers to the Codification structure, not pre-Codification historical GAAP.

Exploration Stage:

The Company is in the exploration stage and has realized limited revenue to date. Accordingly, the operation of the Company is presented as those of an exploration stage enterprise, from its inception (March 31, 2009) as prescribed by Statement of Financial Accounting Standards ("SFAS") No. 7, "Accounting and Reporting by Development Stage Enterprises".

EAGLE OIL HOLDING COMPANY, INC
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Oil and Gas Rights:

Investments in oil and gas properties are accounted for using the successful-efforts method of accounting. Under the successful-efforts method, costs such as geological and geophysical, exploratory dry holes and delay rentals are expensed as incurred. The successful-efforts method follows the guidance provided in ASC 360 (formerly Statement of Financial Accounting Standards No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*), where the first measurement for impairment is to compare the net book value of the related asset to undiscounted cash flows using commodity prices consistent with management expectations.

Under the successful-efforts method, Costs associated with the capitalization of leases are capitalized as incurred. These consist of costs incurred in obtaining a mineral interest in a property, such as the costs of lease bonuses and options to lease, brokers' fees, recording fees, legal cost, and other similar costs in acquiring property interests.

Oil and gas properties are amortized using the units-of-production method using estimates of proved reserve quantities.

Income Taxes:

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. These differences relate primarily to the difference between the basis of operating loss carry forwards and depreciable assets. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be taxable or deductible when the assets and liabilities are recovered or settled.

Going Concern:

The Company is a exploration stage company that incurred a net loss of \$1,143,118 for the period May 1, 2009 through April 30, 2011. These conditions raise substantial doubt as to the Company's ability to continue as a going concern. These financial statements do not include any adjustments that might be necessary if the Company were unable to continue as a going concern. The continued existence of the Company is dependent upon the ability to obtain additional capital and/or debt financing needed to repay the current obligations of the Company. There is no assurance that the Company will be able to obtain such capital or enough financing to provide the necessary cash flow needed to fund the Company's operations.

EAGLE OIL HOLDING COMPANY, INC
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Notes to the Financial Statements
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Note 1: Summary of Significant Accounting Policies, Continued:

Loss per Common Share:

The Company adopted ASC 260 (formerly Financial Standards Board Statement No. 128, "Earnings per Share"). The statement established standards for computing and presenting earnings per share ("EPS"). It replaced the presentation of primary EPS with a basic EPS and also requires dual presentation of basic and diluted EPS on the face of the income statement. Basic loss per share was computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The weighted average number of common shares used to calculate basic and diluted loss per common share for the year ended April 30, 2011 was 91,431,580.

Recent Accounting Pronouncements:

In June 2006, the FASB released ASC 740 (formerly FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes). When ASC 740 is implemented, reporting entities utilize different recognition thresholds and measurement requirements when compared to prior technical literature. Disclosure is not required of a loss contingency involving an unasserted claim or assessment when there has been no manifestation by a potential claimant of an awareness of a possible claim or assessment unless it is considered probable that a claim will be asserted and there is a reasonable possibility that the outcome will be unfavorable. Using that guidance, as of April 30, 2011, the Company has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

The adoption of other recently issued accounting pronouncements did not have a material effect on our financial position or results from operations. We do not expect recently issued accounting pronouncements that are not yet effective will have a material effect on our financial position or results of operations upon adoption.

Note 2 Property and Equipment

Property and equipment consist of the following at April 30, 2011

\$1,304,684

Accumulate Depreciation

(189,007)

Note 3: Notes Payable:

In November 2009, the Company issued a note payable of \$40,000. The note bears interest at a rate of 8% and was due August 18, 2010 and is now past due. The note payable was able to be converted to common stock at a conversion price of the lessor of \$.04 per share or 50% of the average trading price for the lowest three trading prices within ten days prior to the election to convert.

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Note 3: Notes Payable, Continued:

In January 2010, the Company issued a note payable of \$40,000. The note bears interest at a rate of 8% and was due October 15, 2010 and is now past due. The note payable was able to be converted to common stock at a conversion price of the lesser of \$.04 per share or 50% of the average trading price for the lowest three trading prices within ten days prior to the election to convert.

In February 2010, the Company issued a note payable of \$20,000. The note bears interest at a rate of 8% and was due November 17, 2010 and is now past due. The note payable is able to be converted to common stock at a conversion price of the lesser of \$.04 per share or 50% of the average trading price for the lowest three trading prices within ten days prior to the election to convert.

In April 2010, the Company issued a note payable of \$25,000. The note bears interest at a rate of 12% and is due December 21, 2010. As of April 30, 2011 the note payable totaled \$25,000.

In January 2011, the Company issued a note payable of 25,000. The note bears interest at a rate of 8% and is due September 2011. The note payable is able to be converted to common stock at a conversion price of the lesser of Market Price per share or 50% of the average trading price for the lowest three trading prices within ten days prior to the election to convert.

In March 2011, the Company issued a note payable of 25,000. The note bears interest at a rate of 8% and is due December 2011. The note payable is able to be converted to common stock at a conversion price of the lesser of Market Price per share or 50% of the average trading price for the lowest three trading prices within ten days prior to the election to convert.

Note 4: Notes Payable - Related Party:

In April 2009, the Company assumed notes payable to a related party for a total of \$447,500. The notes bear interest at a rate of 10% and are due December 31, 2009. The notes payable were able to be converted to common stock at a conversion price of \$.05 per share on or before May 20, 2009. On or before May 20, 2009 a total of \$110,000 of the Company's outstanding debt was converted into a total of 2,200,000 shares of the Company's common stock. Subsequent to May 30, 2009 through the maturity of the note the conversion price is 80% of the average trading price for the twenty days prior to the election to convert, not to be less than \$.20 per share.

As of April 30, 2011 the notes payable to a related party totaled \$337,500 with accrued interest payable of \$23,000 were considered to be past due.

The Company issued a note payable to a related party company, which is wholly owned by a shareholder. The notes bear interest at a rate of 12% with principal and interest due on demand. As of April 30, 2011 the notes payable to a related party totaled \$1,250, with accrued interest payable of \$200.00.

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The Company issued a note payable to a related party, Hohle Oil Services Co, Inc., which is wholly owned by a shareholder. The notes bear interest at a rate of 12% with principal and interest due on demand. As of April 30, 2011 the notes payable to a related party totaled \$7,500 with accrued interest payable of \$1,350.

The Company issued notes in lieu of payments to the Directors for the year 2009 to 2010 at a rate of 12% per annum. Director J. Wilmot \$13,000, Director B. Wilmot \$13,000. No payments have been made to the directors.

Note 5: Related Party Transactions:

On April 30, 2009, the Company assumed an agreement with Hohle Oil Services Co, Inc., to operate the oil fields on behalf of the Company. The Company will pay an operating fee of 5% of revenue on the first 500 barrels per day and 3% on the revenue thereafter. In addition, the Company will reimburse Hohle Oil Services Co, Inc. for all expenses incurred in operating the oil fields. Hohle Oil Services Co, Inc. is a privately held company that is wholly owned by the President of the Company. Field expenses reimbursed to Hohle Oil Services Co, Inc. for the year ended April 30, 2011 and the period March 31, 2009 (date of inception) through April 30, 2011 were \$125,611 and \$125,611, respectively, and are included in general and administrative expense. As of April 30, 2011 the Company has a payable to Hohle Oil Services Co, Inc. of \$21,000 which is included in accrued expenses.

The Company had an agreement with Plasma Energy Processes, Inc., the owner of which is a shareholder of the Company, to rent commercial office space in Nevada and California. The terms of the lease were month-to-month and called for base rent in the amount of \$ 1,800 per month. As of April 30, 2011 the rental expense of \$10,800 is included in accrued expenses

Note 6: Income Tax Expense:

The tax effects of temporary differences and carry forwards that give rise to deferred tax assets consist of the following:

April 30, 2011

Deferred tax assets: Federal and state net operating loss carryovers	\$ 748,346
Valuation allowance	(748,346)

The Company has established a valuation allowance to reduce its deferred asset to an amount that will more likely than not be realized.

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Note 7: Commitments:

The Company received notice on July 1, 2009 from the Texas Railroad Commission to disconnect the pipeline until testing on a well is certified. Management believes this issue is normal to the industry and should be corrected without material effect on the Company's financial position.

As of March 31, 2011, the Company entered into a Farmout Agreement with Nitro Capital Partners Inc, a Canadian company, to recomplete five wells at their own expense. If their efforts are successful, Nitro will be allowed to recomplete an additional five wells. The agreement is contingent on receipt of \$75,000 from Nitro Capital Partners prior to September 2011. Nitro will receive 50% of the revenue from the wells covered by the Farmout Agreement.

As of April 30, 2011, the Company entered into a Farmout Agreement with Natural Springs Resources Inc, a Canadian company, to recomplete five wells at their own expense. If their efforts are successful, Nitro will be allowed to recomplete an additional five wells. The agreement is contingent on receipt of \$50,000 from Natural Springs Resources prior to January 2012. Natural Springs Resources will receive 50% of the revenue from the wells covered by the Farmout Agreement.

Note 8: Subsequent Events:

In July, 2011, the Company entered into a Farmout Agreement with Questus Energy, LLC to recomplete up to 104 wells at their own expense, in groups of ten wells.

A tax lien in an amount of approximately \$114,000 has been filed by Rusk County, TX against the Company's property, which liens are in the name of the prior owner of the property. The Company together with Questus Energy, LLC to resolve the tax lien.