



**Consolidated Cash Flow Projection**  
**1<sup>st</sup> Year Administrative**

	Startup	Aug-09	Sept-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]	<b>400,000</b>	400,000	79,018	-20,268	695,297	2,066,252	4,799,490	8,245,569	11,740,889	15,112,834	18,531,088	21,995,651	25,550,234	
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales		-61,132	13,226	839,384	1,529,268	2,963,251	3,713,609	3,765,442	3,811,101	3,859,846	3,908,592	4,003,351	4,319,638	32,665,575
(b) Collections from Credit Accounts														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]		-61,132	13,226	839,384	1,529,268	2,963,251	3,713,609	3,765,442	3,811,101	3,859,846	3,908,592	4,003,351	4,319,638	32,665,575
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)		338,868	92,244	819,117	2,224,565	5,029,502	8,513,099	12,011,011	15,551,989	18,972,681	22,439,681	25,999,002	29,869,872	
<b>5. CASH PAID OUT</b>														
(d) Salaries- Officers		15,000	15,000	15,000	15,000	15,000	15,000	15,000	130,000	130,000	130,000	130,000	130,000	755,000
(e) Benefits-		7,650	7,650	7,650	7,650	7,650	7,650	7,650	59,400	59,400	59,400	59,400	59,400	350,550
(f) Office & Support Staff		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
(g) Supplies (Office and operating)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(h) Repairs and Maintenance-		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(i) Advertising- (PR)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(j) Auto Expenses		6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000
(k) Professional Fees		40,000	40,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	180,000
(l) Rent		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
(m) Telephone		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(n) Utilities		350	350	350	350	350	350	350	350	350	350	350	350	4,200
(o) Insurance & Bonding		16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	192,000
(p) Taxes (F&E,Severance)		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
(q) Permits & Bonding		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
(r) Travel Expenses		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
(s) Bank Charges		300	300	300	300	300	300	300	300	300	300	300	300	2,400
(t) Equipment Lease		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(u) Miscellaneous		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	14,000
(v) Fuel		7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
(w) Subtotal		111,850	111,850	81,850	81,850	81,850	81,850	81,850	248,600	248,600	248,600	248,600	248,600	
(x) Loan Principal Payment														0
(y) Capital Purchases		148,000												148,000
(z) Other Start-up Costs														0
(aa) Reserves			661	41,969	76,463	148,163	185,680	188,272	190,555	192,992	195,430	200,168	215,982	1,636,335
(bb) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]		259,850	112,511	123,819	158,313	230,013	267,530	270,122	439,155	441,592	444,030	448,768	464,582	3,660,285
<b>7. CASH POSITION</b> [End of month] (4 minus 6)		79,018	-20,268	695,297	2,066,252	4,799,490	8,245,569	11,740,889	15,112,834	18,531,088	21,995,651	25,550,234	29,405,290	



**Consolidated Cash Flow Projection  
1<sup>st</sup> Year Mining- Bell Surface**

	Startup	Aug-09	Sept-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$60 ton		0	300,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	9,900,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	0	300,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	9,900,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	0	300,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		0	24,000	76,800	76,800	76,800	76,800	76,800	76,800	76,800	76,800	76,800	76,800	537,600
(c) Contract Miner @ \$32 per ton		0	170,000	544,000	544,000	544,000	544,000	544,000	544,000	544,000	544,000	544,000	544,000	5,610,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		0	400	400	400	400	400	400	400	400	400	400	400	4,400
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		12,500	500	500	500	500	500	500	500	500	500	500	500	18,000
(i) Professional Fees		0	3,750	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	123,750
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		0	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	13,200
(l) Utilities		0	400	400	400	400	400	400	400	400	400	400	400	4,400
(m) Insurance & Bonding		0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	275,000
(n) Taxes (F&E,Severance)		0	1,250	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	41,250
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(r-1) Haul		0	0	0	0	0	0	0	0	0	0	0	0	0
(s) Fuel		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(t) Subtotal	0	15,700	229,700	667,500	667,500	667,500	667,500	667,500	667,500	667,500	667,500	667,500	667,500	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		0	3,125	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	103,125
(x) Reclamation		0	11,250	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	36,000	371,250
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	15,700	244,075	713,500	713,500	713,500	713,500	713,500	713,500	713,500	713,500	713,500	713,500	7,394,775
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	-15,700	55,925	246,500	246,500	246,500	246,500	246,500	246,500	246,500	246,500	246,500	246,500	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		#DIV/0!	49	45	45	45	45	45	45	45	45	45	45	
Monthly Production-Tons		0	5,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	165,000
Remaining Coal	800,000	800,000	795,000	779,000	763,000	747,000	731,000	715,000	699,000	683,000	667,000	651,000	635,000	



**Consolidated Cash Flow Projection  
1<sup>st</sup> Year Mining- Bell Deep Mine**

	Startup	Aug-09	Sept-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$59 ton		0	0	0	0	0	295,000	442,500	590,000	737,500	885,000	1,180,000	1,475,000	5,605,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	0	0	0	0	0	295,000	442,500	590,000	737,500	885,000	1,180,000	1,475,000	5,605,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	0	0	0	0	0	295,000	442,500	590,000	737,500	885,000	1,180,000	1,475,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		0	0	0	0	0	23,600	35,400	47,200	59,000	70,800	94,400	118,000	448,400
(c) Contract Miner @ \$32 per ton		0	0	0	0	0	160,000	240,000	320,000	400,000	480,000	640,000	800,000	3,040,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		0	0	0	0	0	400	400	400	400	400	400	400	2,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		0	0	0	0	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	10,500
(i) Professional Fees		0	0	0	0	0	3,750	5,625	7,500	9,375	11,250	15,000	18,750	71,250
(j) Rent		0	0	0	0	0	600	600	600	600	600	600	600	4,200
(k) Telephone		0	0	0	0	0	1,200	1,200	1,200	1,200	1,200	1,200	1,200	8,400
(l) Utilities		0	0	0	0	0	600	600	600	600	600	600	600	4,200
(m) Insurance & Bonding		0	0	0	0	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	175,000
(n) Taxes (F&E,Severance)		0	0	0	0	0	1,250	1,875	2,500	3,125	3,750	5,000	6,250	23,750
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		0	0	0	0	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	10,500
(q) Bank Charges		0	0	0	0	0	100	100	100	100	100	100	100	700
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		0	0	0	0	0	0	0	0	0	0	0	0	0
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	0	0	0	0	0	219,500	313,800	408,100	502,400	596,700	785,300	973,900	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		0	0	0	0	0	3,125	4,688	6,250	7,813	9,375	12,500	15,625	59,375
(x) Reclamation		0	0	0	0	0	11,250	16,875	22,500	28,125	33,750	45,000	56,250	213,750
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	0	0	0	0	0	233,875	335,363	436,850	538,338	639,825	842,800	1,045,775	4,072,825
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	0	0	0	0	0	61,125	107,138	153,150	199,163	245,175	337,200	429,225	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	47	45	44	43	43	42	42	
Monthly Production-Tons		0	0	0	0	0	5,000	7,500	10,000	12,500	15,000	20,000	25,000	95,000
Remaining Coal	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	7,995,000	7,987,500	7,977,500	7,965,000	7,950,000	7,930,000	7,905,000	



**Consolidated Cash Flow Projection  
1<sup>st</sup> Year Mining- Bell Highwall**

	Startup	Aug-09	Sept-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$60 ton		0	0	1,200,000	2,400,000	4,800,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	50,400,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	0	0	1,200,000	2,400,000	4,800,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	50,400,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	0	0	1,200,000	2,400,000	4,800,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		0	0	96,000	192,000	384,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	3,360,000
(c) Contract Miner @ \$13 per ton		0	0	260,000	520,000	1,040,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	10,920,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		0	0	400	400	400	400	400	400	400	400	400	400	4,000
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		0	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	15,000
(i) Professional Fees		0	0	5,000	10,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	210,000
(j) Rent		0	0	0	0	0	0	0	0	0	0	0	0	0
(k) Telephone		0	0	750	100	100	100	100	100	100	100	100	100	1,650
(l) Utilities		0	0	0	0	0	0	0	0	0	0	0	0	0
(m) Insurance & Bonding		0	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	250,000
(n) Taxes (F&E,Severance)		0	0	5,000	10,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	210,000
(o) Permits & Licenses		0	0	10,000	20,000	40,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	420,000
(p) Travel Expenses		0	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	15,000
(q) Bank Charges		0	0	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	24,000	24,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	144,000
(r-1) Haul		0	0	80,000	160,000	320,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	2,800,000
(s) Fuel		0	0	400	400	400	400	400	400	400	400	400	400	4,000
(t) Subtotal	0	0	0	509,650	965,000	1,865,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		0	0	12,500	25,000	50,000	62,500	62,500	62,500	62,500	62,500	62,500	62,500	525,000
(x) Reclamation		0	0	45,000	90,000	180,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	1,890,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	0	0	567,150	1,080,000	2,095,000	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	22,001,650
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	0	0	632,850	1,320,000	2,705,000	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		#DIV/0!	#DIV/0!	28	27	26	26	26	26	26	26	26	26	
Monthly Production-Tons		0	0	20,000	40,000	80,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	840,000
Remaining Coal	6,800,000	6,800,000	6,800,000	6,780,000	6,740,000	6,660,000	6,560,000	6,460,000	6,360,000	6,260,000	6,160,000	6,060,000	5,960,000	



1st Yr Oil



**Consolidated Cash Flow Projection**  
**1<sup>st</sup> Year Reliford Project**

	Aug-09	Sept-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Total
Beginning Cash Balance	400,000												
Sales- Assumes \$70 Barrel	0	85,166	89,425	93,683	97,941	102,200	106,458	114,975	114,975	119,233	123,491	127,750	1,175,297
<b>Total Cash</b>	<b>400,000</b>	<b>85,166</b>	<b>89,425</b>	<b>93,683</b>	<b>97,941</b>	<b>102,200</b>	<b>106,458</b>	<b>114,975</b>	<b>114,975</b>	<b>119,233</b>	<b>123,491</b>	<b>127,750</b>	
<b>Cash Disbursements</b>													
Royalties													
Land Owners	0	21,292	22,356	23,421	24,485	25,550	26,615	28,744	28,744	29,808	30,873	31,937	293,824
D&D Energy	0	2,129	2,236	2,342	2,449	2,555	2,661	2,874	2,874	2,981	3,087	3,194	29,382
Cost of sales	0	23,421	24,592	25,763	26,934	28,105	29,276	31,618	31,618	32,789	33,960	35,131	323,207
<b>G &amp; A Expenses</b>													
Salaries	0	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	44,000
Payroll Taxes	0	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	14,520
Fringe Benefits	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,000
Rent	0	750	750	750	750	750	750	750	750	750	750	750	8,250
Engineering	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	22,000
Business Insurance	0	500	500	500	500	500	500	500	500	500	500	500	5,500
Travel	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,500
Office Supplies	0	200	200	200	200	200	200	200	200	200	200	200	2,200
Drilling/Reworking	0	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	385,000
Repairs & Maintenance	0	600	900	1,200	1,500	1,800	2,100	2,400	2,700	3,000	3,300	3,600	23,100
Consultants	0	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	11,000
Prof Services (Legal/Acct)	0	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	22,000
Telephone/Communications	0	450	450	450	450	450	450	450	450	450	450	450	4,950
Utilities	0	60	90	120	150	180	210	240	270	300	330	360	2,310
Depletion Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Expenses	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,500
Hauling Expense	0	48	72	96	120	144	168	192	216	240	264	288	1,848
<b>Total Expenses</b>	<b>0</b>	<b>75,349</b>	<b>76,874</b>	<b>78,399</b>	<b>79,924</b>	<b>81,449</b>	<b>82,974</b>	<b>85,670</b>	<b>86,024</b>	<b>87,549</b>	<b>89,074</b>	<b>90,599</b>	<b>913,885</b>
Loan Repayment													
Proceeds from Grant													
Equity Investments													
Purchase of fixed assets	400,000												400,000
Equity Distributions													
<b>Total Other</b>	<b>400,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Ending Cash Balance	0	9,818	12,551	15,284	18,018	20,751	23,484	29,305	28,951	31,684	34,417	37,151	261,413
Wells In Operation	0	2	3	4	5	6	7	8	9	10	11	12	



**Consolidated Cash Flow Projection**  
2<sup>nd</sup> Year Administrative

	Startup	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]	29,405,290	29,405,290	33,864,341	38,324,563	42,787,382	47,252,797	51,720,809	56,191,418	60,664,623	65,140,425	69,618,824	74,281,804	78,991,420	
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales		4,811,264	4,812,497	4,815,230	4,817,964	4,820,697	4,823,430	4,826,164	4,828,897	4,831,630	5,025,926	5,224,597	5,357,955	58,996,250
(b) Collections from Credit Accounts														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]		4,811,264	4,812,497	4,815,230	4,817,964	4,820,697	4,823,430	4,826,164	4,828,897	4,831,630	5,025,926	5,224,597	5,357,955	58,996,250
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)		34,216,554	38,676,838	43,139,793	47,605,345	52,073,494	56,544,240	61,017,582	65,493,520	69,972,055	74,644,750	79,506,400	84,349,375	
<b>5. CASH PAID OUT</b>														
(d) Salaries- Officers		32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	130,000	130,000	580,000
(e) Benefits-		17,100	17,100	17,100	17,100	17,100	17,100	17,100	17,100	17,100	17,100	61,200	61,200	293,400
(f) Office & Support Staff		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
(g) Supplies (Office and operating)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(h) Repairs and Maintenance-		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(i) Advertising- (PR)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(j) Auto Expenses		6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000
(k) Professional Fees		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
(l) Rent		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	12,600
(m) Telephone		700	700	700	700	700	700	700	700	700	700	700	700	8,400
(n) Utilities		350	350	350	350	350	350	350	350	350	350	350	350	4,200
(o) Insurance & Bonding		16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	192,000
(p) Taxes (F&E,Severance)		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
(q) Permits & Licenses		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
(r) Travel Expenses		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
(s) Bank Charges		300	300	300	300	300	300	300	300	300	300	300	300	3,600
(t) Equipment Lease		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(u) Miscellaneous		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
(v) Fuel		7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
(w) Subtotal		111,650	111,650	111,650	111,650	111,650	111,650	111,650	111,650	111,650	111,650	253,750	253,750	
(x) Loan Principal Payment														0
(y) Capital Purchases														0
(z) Other Start-up Costs														0
(aa) Reserves		240,563	240,625	240,762	240,898	241,035	241,172	241,308	241,445	241,582	251,296	261,230	267,898	4,586,148
(bb) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]		352,213	352,275	352,412	352,548	352,685	352,822	352,958	353,095	353,232	362,946	514,980	521,648	4,573,813
<b>7. CASH POSITION</b> [End of month] (4 minus 6)		33,864,341	38,324,563	42,787,382	47,252,797	51,720,809	56,191,418	60,664,623	65,140,425	69,618,824	74,281,804	78,991,420	83,827,728	

ESSENTIAL OPERATING DATA  
[Non-cash flow information]

57,372,250



**Consolidated Cash Flow Projection  
2<sup>nd</sup> Year Mining- Bell Surface**

	Startup	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$62 ton		1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	16,368,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	16,368,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	1,364,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		109,120	109,120	109,120	109,120	109,120	109,120	109,120	109,120	109,120	109,120	109,120	109,120	763,840
(c) Contract Miner @ \$32 per ton		704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	8,448,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	198,000
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
(l) Utilities		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	308,000
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	915,420	915,420	915,420	915,420	915,420	915,420	915,420	915,420	915,420	915,420	915,420	915,420	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	165,000
(x) Reclamation		49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	594,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	978,670	978,670	978,670	978,670	978,670	978,670	978,670	978,670	978,670	978,670	978,670	978,670	11,744,040
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	385,330	385,330	385,330	385,330	385,330	385,330	385,330	385,330	385,330	385,330	385,330	385,330	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		44	44	44	44	44	44	44	44	44	44	44	44	44
Monthly Production-Tons		22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
Remaining Coal	635,000	613,000	591,000	569,000	547,000	525,000	1,303,000	1,281,000	1,259,000	1,237,000	1,215,000	1,193,000	1,171,000	



**Consolidated Cash Flow Projection  
2<sup>nd</sup> Year Mining- Bell Deep Mine**

	Startup	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$62 ton		3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	37,200,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	37,200,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	248,000	1,736,000
(c) Contract Miner @ \$32 per ton		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	19,200,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
(l) Utilities		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	700,000
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	2,028,900	2,028,900	2,028,900	2,028,900	2,028,900	2,028,900	2,028,900	2,028,900	2,028,900	2,028,900	2,028,900	2,028,900	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	375,000
(x) Reclamation		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	2,097,650	2,097,650	2,097,650	2,097,650	2,097,650	2,097,650	2,097,650	2,097,650	2,097,650	2,097,650	2,097,650	2,097,650	25,171,800
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	1,002,350	1,002,350	1,002,350	1,002,350	1,002,350	1,002,350	1,002,350	1,002,350	1,002,350	1,002,350	1,002,350	1,002,350	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		42	42	42	42	42	42	42	42	42	42	42	42	42
Monthly Production-Tons		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
Remaining Coal	7,905,000	7,855,000	7,805,000	7,755,000	7,705,000	7,655,000	7,605,000	7,555,000	7,505,000	7,455,000	7,405,000	7,355,000	7,305,000	



**Consolidated Cash Flow Projection  
2<sup>nd</sup> Year Mining- Bell Highwall**

	Startup	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$60 ton		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	3,360,000
(c) Contract Miner @ \$13 per ton		1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	15,600,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(j) Rent		0	0	0	0	0	0	0	0	0	0	0	0	0
(k) Telephone		100	100	100	100	100	100	100	100	100	100	100	100	1,200
(l) Utilities		0	0	0	0	0	0	0	0	0	0	0	0	0
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(o) Permits & Licenses		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	144,000
(r-1) Haul		400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	2,800,000
(s) Fuel		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(t) Subtotal	0	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	750,000
(x) Reclamation		225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	2,700,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	31,302,000
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		26	26	26	26	26	26	26	26	26	26	26	26	26
Monthly Production-Tons		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,200,000
Remaining Coal	5,960,000	5,860,000	5,760,000	5,660,000	5,560,000	5,460,000	5,360,000	5,260,000	5,160,000	5,060,000	4,960,000	4,860,000	4,760,000	

2nd Yr Oil



**Consolidated Cash Flow Projection**  
**2<sup>nd</sup> Year Reliford Project**

	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Total
Sales- Assumes \$70 Barrel	132,008	136,266	140,525	144,783	149,041	153,300	157,558	161,816	166,075	170,333	174,591	178,850	1,865,146
Total Cash	132,008	136,266	140,525	144,783	149,041	153,300	157,558	161,816	166,075	170,333	174,591	178,850	
<b>Cash Disbursements</b>													
Royalties													
Land Owners	33,002	34,067	35,131	36,196	37,260	38,325	39,389	40,454	41,519	42,583	43,648	44,712	466,286
D&D Energy	3,300	3,407	3,513	3,620	3,726	3,832	3,939	4,045	4,152	4,258	4,365	4,471	46,629
Cost of sales	36,302	37,473	38,644	39,815	40,986	42,157	43,328	44,499	45,671	46,842	48,013	49,184	512,915
<b>G &amp; A Expenses</b>													
Salaries	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
Payroll Taxes	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	1,320	15,840
Fringe Benefits	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Rent	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Engineering	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Business Insurance	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Travel	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Office Supplies	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Drilling/Reworking	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	420,000
Repairs & Maintenance	3,900	4,200	4,500	4,800	5,100	5,400	5,700	6,000	6,300	6,600	6,900	7,200	66,600
Consultants	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Prof Services (Legal/Acct)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Telephone/Communications	450	450	450	450	450	450	450	450	450	450	450	450	5,400
Utilities	390	420	450	480	510	540	570	600	630	660	690	720	6,660
Depletion Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Expenses	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,500
Hauling Expense	312	336	360	384	408	432	456	480	504	528	552	576	5,328
<b>Total Expenses</b>	<b>90,624</b>	<b>93,649</b>	<b>95,174</b>	<b>96,699</b>	<b>98,224</b>	<b>99,749</b>	<b>101,274</b>	<b>102,799</b>	<b>104,325</b>	<b>105,850</b>	<b>107,375</b>	<b>108,900</b>	<b>1,204,643</b>
Loan Repayment													
Proceeds from Grant													
Equity Investments													
Purchase of fixed assets													0
Equity Distributions													
Total Other		0	0	0	0	0	0	0	0	0	0	0	
Ending Cash Balance	41,384	42,617	45,350	48,084	50,817	53,550	56,284	59,017	61,750	64,483	67,217	69,950	660,503
Wells In Operation	13	14	15	16	17	18	19	20	21	22	23	24	



**Consolidated Cash Flow Projection  
2<sup>nd</sup> Year Mining – Bledsoe**

	Startup	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$70 ton	-	-	-	-	-	-	-	-	-	-	525,000	1,050,000	1,400,000	2,975,000
(b) Collections from Credit Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Loan or Other Cash Injection	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	-	-	-	-	-	-	-	-	-	-	525,000	1,050,000	1,400,000	2,975,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	-	-	-	-	-	-	-	-	-	-	525,000	1,050,000	1,400,000	-
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Royalties @ 10%	-	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	52,500	105,000	140,000	333,500
(c) Contract Miner @ \$32 per ton	-	0	0	0	0	0	0	0	0	0	240,000	480,000	640,000	1,360,000
(d) Black Lung Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e) Employee Benefits & Profit Sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Supplies (Office and operating)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Repairs and Maintenance-(equipment)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g) Advertising- (Employment Ads)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h) Auto Expenses	-	-	-	-	-	-	-	-	-	-	1,500	1,500	1,500	4,500
(i) Professional Fees	-	-	-	-	-	-	-	-	-	-	5,625	11,250	15,000	31,875
(j) Rent	-	-	-	-	-	-	-	-	-	-	600	600	600	1,800
(k) Telephone	-	-	-	-	-	-	-	-	-	-	375	375	375	1,125
(l) Utilities	-	-	-	-	-	-	-	-	-	-	600	600	600	1,800
(m) Insurance & Bonding	-	-	-	-	-	-	-	-	-	-	9,000	9,000	9,000	27,000
(n) Taxes (F&E,Severance)	-	-	-	-	-	-	-	-	-	-	1,875	3,750	5,000	10,625
(o) Permits & Licenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(p) Travel Expenses	-	300	300	300	300	300	300	300	300	300	1,500	1,500	1,500	7,200
(q) Bank Charges	-	-	-	-	-	-	-	-	-	-	100	100	100	300
(r) Equipment Lease	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(r-1) Haul	-	-	-	-	-	-	-	-	-	-	15,000	30,000	40,000	85,000
(s) Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(t) Subtotal	-	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300	328,675	643,675	853,675	-
(u) Loan Principal Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(v) Capital Purchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(w) Other Start-up Costs	-	-	-	-	-	-	-	-	-	-	4,688	9,375	12,500	26,563
(x) Reclamation	-	-	-	-	-	-	-	-	-	-	9,375	18,750	25,000	53,125
(y) Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	-	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300	9,300	342,738	671,800	891,175	1,989,413
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	-	(9,300)	(9,300)	(9,300)	(9,300)	(9,300)	(9,300)	(9,300)	(9,300)	(9,300)	182,263	378,200	508,825	-
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	45.70	44.79	44.56	
Monthly Production-Tons		0	0	0	0	0	0	0	0	0	7,500	15,000	20,000	42500
Remaining Coal	4,571,000	4,571,000	4,571,000	4,571,000	4,571,000	4,571,000	4,571,000	4,571,000	4,571,000	4,571,000	4,563,500	4,548,500	4,528,500	



**Consolidated Cash Flow Projection  
3<sup>rd</sup> Year Administrative**

	Startup	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]	83,827,728	83,827,728	89,082,349	94,483,611	99,887,470	105,293,925	110,702,977	116,114,626	121,528,871	126,945,713	132,365,151	137,787,186	143,211,818	
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales		5,798,286	5,952,644	5,955,378	5,958,111	5,960,844	5,963,577	5,966,311	5,969,044	5,971,777	5,974,511	5,977,244	5,979,977	71,427,703
(b) Collections from Credit Accounts														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]		5,798,286	5,952,644	5,955,378	5,958,111	5,960,844	5,963,577	5,966,311	5,969,044	5,971,777	5,974,511	5,977,244	5,979,977	71,427,703
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)		89,626,014	95,034,994	100,438,989	105,845,581	111,254,769	116,666,555	122,080,936	127,497,915	132,917,490	138,339,662	143,764,430	149,191,795	
<b>5. CASH PAID OUT</b>														
(d) Salaries- Officers		130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	1,560,000
(e) Benefits-		61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	734,400
(f) Office & Support Staff		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
(g) Supplies (Office and operating)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(h) Repairs and Maintenance-		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(i) Advertising- (Employment Ads)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(j) Auto Expenses		6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000
(k) Professional Fees		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
(l) Rent		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	12,600
(m) Telephone		700	700	700	700	700	700	700	700	700	700	700	700	8,400
(n) Utilities		350	350	350	350	350	350	350	350	350	350	350	350	4,200
(o) Insurance & Bonding		16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	192,000
(p) Taxes (F&E,Severance)		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
(q) Permits & Licenses		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
(r) Travel Expenses		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
(s) Bank Charges		300	300	300	300	300	300	300	300	300	300	300	300	3,600
(t) Equipment Lease		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(u) Miscellaneous		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
(v) Fuel		7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
(w) Subtotal		253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	
(x) Loan Principal Payment														0
(y) Capital Purchases														0
(z) Other Start-up Costs														0
(aa) Reserves		289,914	297,632	297,769	297,906	298,042	298,179	298,316	298,452	298,589	298,726	298,862	298,999	8,157,533
(bb) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]		543,664	551,382	551,519	551,656	551,792	551,929	552,066	552,202	552,339	552,476	552,612	552,749	6,616,385
<b>7. CASH POSITION</b> [End of month] (4 minus 6)		89,082,349	94,483,611	99,887,470	105,293,925	110,702,977	116,114,626	121,528,871	126,945,713	132,365,151	137,787,186	143,211,818	148,639,046	

ESSENTIAL OPERATING DATA  
[Non-cash flow information]

68,382,703



**Consolidated Cash Flow Projection  
3<sup>rd</sup> Year Mining- Bell Surface**

	Startup	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$65 ton		1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	17,160,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	17,160,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	1,430,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		114,400	114,400	114,400	114,400	114,400	114,400	114,400	114,400	114,400	114,400	114,400	114,400	800,800
(c) Contract Miner @ \$32 per ton		704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	8,448,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	198,000
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
(l) Utilities		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	308,000
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	920,700	920,700	920,700	920,700	920,700	920,700	920,700	920,700	920,700	920,700	920,700	920,700	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	165,000
(x) Reclamation		49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	594,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	983,950	983,950	983,950	983,950	983,950	983,950	983,950	983,950	983,950	983,950	983,950	983,950	11,807,400
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	446,050	446,050	446,050	446,050	446,050	446,050	446,050	446,050	446,050	446,050	446,050	446,050	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		45	45	45	45	45	45	45	45	45	45	45	45	45
Monthly Production-Tons		22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
Remaining Coal	1,171,000	1,149,000	1,127,000	1,105,000	1,083,000	1,061,000	1,919,000	1,897,000	1,875,000	1,853,000	1,831,000	1,809,000	1,787,000	



**Consolidated Cash Flow Projection  
3<sup>rd</sup> Year Mining- Bell Deep Mine**

	Startup	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$65 ton		3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	39,000,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	39,000,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000	1,820,000
(c) Contract Miner @ \$32 per ton		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	19,200,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
(l) Utilities		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	700,000
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	2,040,900	2,040,900	2,040,900	2,040,900	2,040,900	2,040,900	2,040,900	2,040,900	2,040,900	2,040,900	2,040,900	2,040,900	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	375,000
(x) Reclamation		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	2,109,650	2,109,650	2,109,650	2,109,650	2,109,650	2,109,650	2,109,650	2,109,650	2,109,650	2,109,650	2,109,650	2,109,650	25,315,800
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	1,140,350	1,140,350	1,140,350	1,140,350	1,140,350	1,140,350	1,140,350	1,140,350	1,140,350	1,140,350	1,140,350	1,140,350	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		42	42	42	42	42	42	42	42	42	42	42	42	42
Monthly Production-Tons		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
Remaining Coal	7,305,000	7,255,000	7,205,000	7,155,000	7,105,000	7,055,000	7,005,000	6,955,000	6,905,000	6,855,000	6,805,000	6,755,000	6,705,000	



**Consolidated Cash Flow Projection  
3<sup>rd</sup> Year Mining- Bell Highwall**

	Startup	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$60 ton		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	3,360,000
(c) Contract Miner @ \$13 per ton		1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	15,600,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(j) Rent		0	0	0	0	0	0	0	0	0	0	0	0	0
(k) Telephone		100	100	100	100	100	100	100	100	100	100	100	100	1,200
(l) Utilities		0	0	0	0	0	0	0	0	0	0	0	0	0
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(o) Permits & Licenses		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	144,000
(r-1) Haul		400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	2,800,000
(s) Fuel		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(t) Subtotal	0	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	750,000
(x) Reclamation		225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	2,700,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	31,302,000
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		26	26	26	26	26	26	26	26	26	26	26	26	26
Monthly Production-Tons		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,200,000
Remaining Coal	4,760,000	4,660,000	4,560,000	4,460,000	4,360,000	4,260,000	4,160,000	4,060,000	3,960,000	3,860,000	3,760,000	3,660,000	3,560,000	

3rd Yr Oil



**Consolidated Cash Flow Projection**  
**3<sup>rd</sup> Year Reliford Project**

	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Total
Sales- Assumes \$70 Barrel	178,850	183,108	187,366	191,625	195,883	200,141	204,400	208,658	212,916	217,175	221,433	225,691	2,427,245
Total Cash	178,850	183,108	187,366	191,625	195,883	200,141	204,400	208,658	212,916	217,175	221,433	225,691	
<b>Cash Disbursements</b>													
Royalties													
Land Owners	44,712	45,777	46,842	47,906	48,971	50,035	51,100	52,164	53,229	54,294	55,358	56,423	606,811
D&D Energy	4,471	4,578	4,684	4,791	4,897	5,004	5,110	5,216	5,323	5,429	5,536	5,642	60,681
Cost of sales	49,184	50,355	51,526	52,697	53,868	55,039	56,210	57,381	58,552	59,723	60,894	62,065	667,492
<b>G &amp; A Expenses</b>													
Salaries	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
Payroll Taxes	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	1,980	23,760
Fringe Benefits	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Rent	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Engineering	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Business Insurance	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Travel	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Office Supplies	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Drilling/Reworking	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	420,000
Repairs & Maintenance	7,500	7,800	8,100	8,400	8,700	9,000	9,300	9,600	9,900	10,200	10,500	10,800	109,800
Consultants	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Prof Services (Legal/Acct)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Telephone/Communications	450	450	450	450	450	450	450	450	450	450	450	450	5,400
Utilities	750	780	810	840	870	900	930	960	990	1,020	1,050	1,080	10,980
Depletion Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Expenses	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,500
Hauling Expense	600	624	648	672	696	720	744	768	792	816	840	864	8,784
<b>Total Expenses</b>	<b>110,414</b>	<b>113,439</b>	<b>114,964</b>	<b>116,489</b>	<b>118,014</b>	<b>119,539</b>	<b>121,064</b>	<b>122,589</b>	<b>124,114</b>	<b>125,639</b>	<b>127,164</b>	<b>128,689</b>	<b>1,442,116</b>
Loan Repayment													
Proceeds from Grant													
Equity Investments													
Purchase of fixed assets													0
Equity Distributions													
Total Other		0	0	0	0	0	0	0	0	0	0	0	
Ending Cash Balance	68,436	69,669	72,403	75,136	77,869	80,602	83,336	86,069	88,802	91,536	94,269	97,002	985,128
Wells In Operation	25	26	27	28	29	30	31	32	33	34	35	36	



**Consolidated Cash Flow Projection**  
**3<sup>rd</sup> Year Mining – Bledsoe**

	Startup	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$75 ton		1,875,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	26,625,000
(b) Collections from Credit Accounts														-
(c) Loan or Other Cash Injection														-
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	-	1,875,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	26,625,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	-	1,875,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Royalties @ 10%		187,500	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	1,575,000
(c) Contract Miner @ \$32 per ton		800,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	11,360,000
(d) Black Lung Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-
(e) Employee Benefits & Profit Sharing		-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Supplies (Office and operating)		-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Repairs and Maintenance-(equipment)		-	-	-	-	-	-	-	-	-	-	-	-	-
(g) Advertising- (Employment Ads)		-	-	-	-	-	-	-	-	-	-	-	-	-
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		18,750	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	266,250
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		375	375	375	375	375	375	375	375	375	375	375	375	4,500
(l) Utilities		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(m) Insurance & Bonding		9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	108,000
(n) Taxes (F&E,Severance)		6,250	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	88,750
(o) Permits & Licenses		-	-	-	-	-	-	-	-	-	-	-	-	-
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease		-	-	-	-	-	-	-	-	-	-	-	-	-
(r-1) Haul & Crush		50,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	420,000
(s) Fuel		-	-	-	-	-	-	-	-	-	-	-	-	-
(t) Subtotal	-	1,076,175	1,288,675	1,288,675	1,288,675	1,288,675	1,288,675	1,288,675	1,288,675	1,288,675	1,288,675	1,288,675	1,288,675	
(u) Loan Principal Payment														-
(v) Capital Purchases														-
(w) Other Start-up Costs		15,625	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	221,875
(x) Reclamation		31,250	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	443,750
(y) Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	-	1,123,050	1,344,925	1,344,925	1,344,925	1,344,925	1,344,925	1,344,925	1,344,925	1,344,925	1,344,925	1,344,925	1,344,925	15,917,225
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	-	751,950	905,075	905,075	905,075	905,075	905,075	905,075	905,075	905,075	905,075	905,075	905,075	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		45	45	45	45	45	45	45	45	45	45	45	45	45
Monthly Production-Tons		25,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	355,000
Remaining Coal	4,528,500	4,503,500	4,473,500	4,443,500	4,413,500	4,383,500	4,353,500	4,323,500	4,293,500	4,263,500	4,233,500	4,203,500	4,173,500	



**Consolidated Cash Flow Projection  
4<sup>th</sup> Year Administrative**

	Startup	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]	148,639,046	148,639,046	154,155,031	159,839,031	165,525,629	171,214,822	176,906,613	182,601,000	188,297,983	193,997,563	199,699,740	205,404,514	211,111,884	
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales		6,073,405	6,250,264	6,252,997	6,255,730	6,258,464	6,261,197	6,263,930	6,266,663	6,269,397	6,272,130	6,274,863	6,277,597	74,976,636
(b) Collections from Credit Accounts														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]		6,073,405	6,250,264	6,252,997	6,255,730	6,258,464	6,261,197	6,263,930	6,266,663	6,269,397	6,272,130	6,274,863	6,277,597	74,976,636
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)		154,712,451	160,405,295	166,092,028	171,781,359	177,473,286	183,167,809	188,864,930	194,564,647	200,266,960	205,971,870	211,679,377	217,389,480	
<b>5. CASH PAID OUT</b>														
(d) Salaries- Officers		130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	1,560,000
(e) Benefits-		61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	734,400
(f) Office & Support Staff		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
(g) Supplies (Office and operating)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(h) Repairs and Maintenance-		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(i) Advertising- (PR)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(j) Auto Expenses		6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000
(k) Professional Fees		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
(l) Rent		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	12,600
(m) Telephone		700	700	700	700	700	700	700	700	700	700	700	700	8,400
(n) Utilities		350	350	350	350	350	350	350	350	350	350	350	350	4,200
(o) Insurance & Bonding		16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	192,000
(p) Taxes (F&E,Severance)		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
(q) Permits & Licenses		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
(r) Travel Expenses		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
(s) Bank Charges		300	300	300	300	300	300	300	300	300	300	300	300	3,600
(t) Equipment Lease		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(u) Miscellaneous		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
(s) Fuel		7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
(w) Subtotal	0	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	0
(x) Loan Principal Payment														0
(y) Capital Purchases														0
(z) Other Start-up Costs														0
(aa) Reserves		303,670	312,513	312,650	312,787	312,923	313,060	313,197	313,333	313,470	313,606	313,743	313,880	11,906,365
(bb) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]		557,420	566,263	566,400	566,537	566,673	566,810	566,947	567,083	567,220	567,356	567,493	567,630	6,793,832
<b>7. CASH POSITION</b> [End of month] (4 minus 6)		154,155,031	159,839,031	165,525,629	171,214,822	176,906,613	182,601,000	188,297,983	193,997,563	199,699,740	205,404,514	211,111,884	216,821,850	

ESSENTIAL OPERATING DATA  
[Non-cash flow information]

71,931,636



**Consolidated Cash Flow Projection  
4<sup>th</sup> Year Mining- Bell Surface**

	Startup	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$67 ton		1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	17,688,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	17,688,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	1,474,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		117,920	117,920	117,920	117,920	117,920	117,920	117,920	117,920	117,920	117,920	117,920	117,920	825,440
(c) Contract Miner @ \$32 per ton		704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	8,448,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	198,000
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
(l) Utilities		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	308,000
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	924,220	924,220	924,220	924,220	924,220	924,220	924,220	924,220	924,220	924,220	924,220	924,220	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	165,000
(x) Reclamation		49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	594,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	987,470	987,470	987,470	987,470	987,470	987,470	987,470	987,470	987,470	987,470	987,470	987,470	11,849,640
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	486,530	486,530	486,530	486,530	486,530	486,530	486,530	486,530	486,530	486,530	486,530	486,530	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		45	45	45	45	45	45	45	45	45	45	45	45	45
Monthly Production-Tons		22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
Remaining Coal	1,787,000	1,765,000	1,743,000	1,721,000	1,699,000	1,677,000	1,655,000	1,633,000	1,611,000	1,589,000	1,567,000	1,545,000	1,523,000	



**Consolidated Cash Flow Projection  
4<sup>th</sup> Year Mining- Bell Deep Mine**

	Startup	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$67 ton		3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	40,200,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	40,200,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	3,350,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		268,000	268,000	268,000	268,000	268,000	268,000	268,000	268,000	268,000	268,000	268,000	268,000	1,876,000
(c) Contract Miner @ \$32 per ton		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	19,200,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
(l) Utilities		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	700,000
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	2,048,900	2,048,900	2,048,900	2,048,900	2,048,900	2,048,900	2,048,900	2,048,900	2,048,900	2,048,900	2,048,900	2,048,900	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	375,000
(x) Reclamation		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	2,117,650	2,117,650	2,117,650	2,117,650	2,117,650	2,117,650	2,117,650	2,117,650	2,117,650	2,117,650	2,117,650	2,117,650	25,411,800
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	1,232,350	1,232,350	1,232,350	1,232,350	1,232,350	1,232,350	1,232,350	1,232,350	1,232,350	1,232,350	1,232,350	1,232,350	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		42	42	42	42	42	42	42	42	42	42	42	42	42
Monthly Production-Tons		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
Remaining Coal	6,705,000	6,655,000	6,605,000	6,555,000	6,505,000	6,455,000	6,405,000	6,355,000	6,305,000	6,255,000	6,205,000	6,155,000	6,105,000	



**Consolidated Cash Flow Projection  
4<sup>th</sup> Year Mining- Bell Highwall**

	Startup	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$60 ton		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	3,360,000
(c) Contract Miner @ \$13 per ton		1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	15,600,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(j) Rent		0	0	0	0	0	0	0	0	0	0	0	0	0
(k) Telephone		100	100	100	100	100	100	100	100	100	100	100	100	1,200
(l) Utilities		0	0	0	0	0	0	0	0	0	0	0	0	0
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(o) Permits & Licenses		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	144,000
(r-1) Haul		400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	2,800,000
(s) Fuel		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(t) Subtotal	0	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	750,000
(x) Reclamation		225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	2,700,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	31,302,000
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		26	26	26	26	26	26	26	26	26	26	26	26	26
Monthly Production-Tons		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,200,000
Remaining Coal	3,560,000	3,460,000	3,360,000	3,260,000	3,160,000	3,060,000	2,960,000	2,860,000	2,760,000	2,660,000	2,560,000	2,460,000	2,360,000	

4th Yr Oil



**Consolidated Cash Flow Projection**  
**4<sup>th</sup> Year Reliford Project**

	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Total
Sales- Assumes \$70 Barrel	229,949	234,208	238,466	242,724	246,983	251,241	255,499	259,758	264,016	268,274	272,533	276,791	3,040,443
Total Cash	229,949	234,208	238,466	242,724	246,983	251,241	255,499	259,758	264,016	268,274	272,533	276,791	
Cash Disbursements													
Royalties													
Land Owners	57,487	58,552	59,617	60,681	61,746	62,810	63,875	64,939	66,004	67,069	68,133	69,198	760,111
D&D Energy	5,749	5,855	5,962	6,068	6,175	6,281	6,387	6,494	6,600	6,707	6,813	6,920	76,011
Cost of sales	63,236	64,407	65,578	66,749	67,920	69,091	70,262	71,433	72,604	73,775	74,947	76,118	836,122
G & A Expenses													
Salaries	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Payroll Taxes	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	31,680
Fringe Benefits	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Rent	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Engineering	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Business Insurance	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Travel	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Office Supplies	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Drilling/Reworking	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	420,000
Repairs & Maintenance	11,100	11,400	11,700	12,000	12,300	12,600	12,900	13,200	13,500	13,800	14,100	14,400	153,000
Consultants	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Prof Services (Legal/Acct)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Telephone/Communications	450	450	450	450	450	450	450	450	450	450	450	450	5,400
Utilities	1,110	1,140	1,170	1,200	1,230	1,260	1,290	1,320	1,350	1,380	1,410	1,440	15,300
Depletion Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Expenses	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,500
Hauling Expense	888	912	936	960	984	1,008	1,032	1,056	1,080	1,104	1,128	1,152	12,240
<b>Total Expenses</b>	<b>131,374</b>	<b>134,399</b>	<b>135,924</b>	<b>137,449</b>	<b>138,974</b>	<b>140,499</b>	<b>142,024</b>	<b>143,549</b>	<b>145,074</b>	<b>146,599</b>	<b>148,125</b>	<b>149,650</b>	<b>1,693,642</b>
Loan Repayment													
Proceeds from Grant													
Equity Investments													
Purchase of fixed assets													0
Equity Distributions													
Total Other		0	0	0	0	0	0	0	0	0	0	0	
Ending Cash Balance	98,575	99,809	102,542	105,275	108,009	110,742	113,475	116,208	118,942	121,675	124,408	127,142	1,346,801
Wells In Operation	37	38	39	40	41	42	43	44	45	46	47	48	



**Consolidated Cash Flow Projection**  
**4<sup>th</sup> Year Mining – Bledsoe**

	Startup	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$80 ton		2,000,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	28,400,000
(b) Collections from Credit Accounts														-
(c) Loan or Other Cash Injection														-
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	-	2,000,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	28,400,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	-	2,000,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Royalties @ 10%		200,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	1,680,000
(c) Contract Miner @ \$32 per ton		800,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	11,360,000
(d) Black Lung Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-
(e) Employee Benefits & Profit Sharing		-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Supplies (Office and operating)		-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Repairs and Maintenance-(equipment)		-	-	-	-	-	-	-	-	-	-	-	-	-
(g) Advertising- (Employment Ads)		-	-	-	-	-	-	-	-	-	-	-	-	-
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		18,750	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	266,250
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		375	375	375	375	375	375	375	375	375	375	375	375	4,500
(l) Utilities		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(m) Insurance & Bonding		9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	108,000
(n) Taxes (F&E,Severance)		6,250	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	88,750
(o) Permits & Licenses		-	-	-	-	-	-	-	-	-	-	-	-	-
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease		-	-	-	-	-	-	-	-	-	-	-	-	-
(r-1) Haul & Crush		50,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	420,000
(s) Fuel		-	-	-	-	-	-	-	-	-	-	-	-	-
(t) Subtotal	-	1,088,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	
(u) Loan Principal Payment														-
(v) Capital Purchases														-
(w) Other Start-up Costs		15,625	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	221,875
(x) Reclamation		31,250	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	443,750
(y) Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	-	1,135,550	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	16,094,725
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	-	864,450	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		45	45	45	45	45	45	45	45	45	45	45	45	45
Monthly Production-Tons		25,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	355,000
Remaining Coal	4,173,500	4,148,500	4,118,500	4,088,500	4,058,500	4,028,500	3,998,500	3,968,500	3,938,500	3,908,500	3,878,500	3,848,500	3,818,500	



**Consolidated Cash Flow Projection  
5<sup>th</sup> Year Administrative**

	Startup	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]	216,821,850	216,821,850	222,565,850	228,477,865	234,392,477	240,309,686	246,229,491	252,151,892	258,076,890	264,004,485	269,934,677	275,867,465	281,802,850	
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales		6,313,421	6,490,279	6,493,012	6,495,746	6,498,479	6,501,212	6,503,946	6,506,679	6,509,412	6,512,145	6,514,879	6,517,612	77,856,821
(b) Collections from Credit Accounts														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]		6,313,421	6,490,279	6,493,012	6,495,746	6,498,479	6,501,212	6,503,946	6,506,679	6,509,412	6,512,145	6,514,879	6,517,612	77,856,821
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)		223,135,271	229,056,129	234,970,878	240,888,223	246,808,164	252,730,703	258,655,838	264,583,569	270,513,897	276,446,822	282,382,343	288,320,461	
<b>5. CASH PAID OUT</b>														
(d) Salaries- Officers		130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	1,560,000
(e) Benefits-		61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	61,200	734,400
(f) Office & Support Staff		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
(g) Supplies (Office and operating)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(h) Repairs and Maintenance-		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(i) Advertising- (PR)		200	200	200	200	200	200	200	200	200	200	200	200	2,400
(j) Auto Expenses		6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	78,000
(k) Professional Fees		10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
(l) Rent		1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050	12,600
(m) Telephone		700	700	700	700	700	700	700	700	700	700	700	700	8,400
(n) Utilities		350	350	350	350	350	350	350	350	350	350	350	350	4,200
(o) Insurance & Bonding		16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	192,000
(p) Taxes (F&E,Severance)		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	48,000
(q) Permits & Licenses		5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
(r) Travel Expenses		2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
(s) Bank Charges		300	300	300	300	300	300	300	300	300	300	300	300	3,600
(t) Equipment Lease		125	125	125	125	125	125	125	125	125	125	125	125	1,500
(u) Miscellaneous		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
(s) Fuel		7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
(w) Subtotal	0	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	253,750	
(x) Loan Principal Payment														0
(y) Capital Purchases														0
(z) Other Start-up Costs														0
(aa) Reserves		315,671	324,514	324,651	324,787	324,924	325,061	325,197	325,334	325,471	325,607	325,744	325,881	15,799,206
(bb) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]		569,421	578,264	578,401	578,537	578,674	578,811	578,947	579,084	579,221	579,357	579,494	579,631	6,937,841
<b>7. CASH POSITION</b> [End of month] (4 minus 6)		222,565,850	228,477,865	234,392,477	240,309,686	246,229,491	252,151,892	258,076,890	264,004,485	269,934,677	275,867,465	281,802,850	287,740,831	

**ESSENTIAL OPERATING DATA**  
[Non-cash flow information]

74,811,821



**Consolidated Cash Flow Projection  
5<sup>th</sup> Year Mining- Bell Surface**

	Startup	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$70 ton		1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	18,480,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	18,480,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		123,200	123,200	123,200	123,200	123,200	123,200	123,200	123,200	123,200	123,200	123,200	123,200	862,400
(c) Contract Miner @ \$32 per ton		704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	704,000	8,448,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	16,500	198,000
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
(l) Utilities		6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	72,000
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	66,000
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	308,000
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	929,500	929,500	929,500	929,500	929,500	929,500	929,500	929,500	929,500	929,500	929,500	929,500	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	13,750	165,000
(x) Reclamation		49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	49,500	594,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	992,750	992,750	992,750	992,750	992,750	992,750	992,750	992,750	992,750	992,750	992,750	992,750	11,913,000
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	547,250	547,250	547,250	547,250	547,250	547,250	547,250	547,250	547,250	547,250	547,250	547,250	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		45	45	45	45	45	45	45	45	45	45	45	45	45
Monthly Production-Tons		22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	264,000
Remaining Coal	1,523,000	1,501,000	1,479,000	1,457,000	1,435,000	1,413,000	1,391,000	1,369,000	1,347,000	1,325,000	1,303,000	1,281,000	1,259,000	



**Consolidated Cash Flow Projection  
5<sup>th</sup> Year Mining- Bell Deep Mine**

	Startup	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$70 ton		3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	42,000,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	42,000,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	280,000	1,960,000
(c) Contract Miner @ \$32 per ton		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	19,200,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
(l) Utilities		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	150,000
(o) Permits & Licenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		0	0	0	0	0	0	0	0	0	0	0	0	0
(r-1) Haul		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	700,000
(s) Fuel		0	0	0	0	0	0	0	0	0	0	0	0	0
(t) Subtotal	0	2,060,900	2,060,900	2,060,900	2,060,900	2,060,900	2,060,900	2,060,900	2,060,900	2,060,900	2,060,900	2,060,900	2,060,900	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250	375,000
(x) Reclamation		37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	2,129,650	2,129,650	2,129,650	2,129,650	2,129,650	2,129,650	2,129,650	2,129,650	2,129,650	2,129,650	2,129,650	2,129,650	25,555,800
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	1,370,350	1,370,350	1,370,350	1,370,350	1,370,350	1,370,350	1,370,350	1,370,350	1,370,350	1,370,350	1,370,350	1,370,350	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		43	43	43	43	43	43	43	43	43	43	43	43	43
Monthly Production-Tons		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
Remaining Coal	6,105,000	6,055,000	6,005,000	5,955,000	5,905,000	5,855,000	5,805,000	5,755,000	5,705,000	5,655,000	5,605,000	5,555,000	5,505,000	



**Consolidated Cash Flow Projection  
5<sup>th</sup> Year Mining- Bell Highwall**

	Startup	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$60 ton		6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
(b) Contract Mining														0
(c) Loan or Other Cash Injection														0
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	72,000,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		0	0	0	0	0	0	0	0	0	0	0	0	0
(b) Royalties @ 8%		480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	480,000	3,360,000
(c) Contract Miner @ \$13 per ton		1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000	15,600,000
(d) Black Lung Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
(e) Employee Benefits & Profit Sharing		0	0	0	0	0	0	0	0	0	0	0	0	0
(f) Supplies (Office and operating)		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(f) Repairs and Maintenance-(equipment)		0	0	0	0	0	0	0	0	0	0	0	0	0
(g) Advertising- (Employment Ads)		0	0	0	0	0	0	0	0	0	0	0	0	0
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(j) Rent		0	0	0	0	0	0	0	0	0	0	0	0	0
(k) Telephone		100	100	100	100	100	100	100	100	100	100	100	100	1,200
(l) Utilities		0	0	0	0	0	0	0	0	0	0	0	0	0
(m) Insurance & Bonding		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(n) Taxes (F&E,Severance)		25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
(o) Permits & Licenses		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	600,000
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease/Purchase		12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	144,000
(r-1) Haul		400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	2,800,000
(s) Fuel		400	400	400	400	400	400	400	400	400	400	400	400	4,800
(t) Subtotal	0	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	2,321,000	
(u) Loan Principal Payment														0
(v) Capital Purchases														0
(w) Other Start-up Costs		62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500	750,000
(x) Reclamation		225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	2,700,000
(y) Dividends														0
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	0	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	2,608,500	31,302,000
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	0	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	3,391,500	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		26	26	26	26	26	26	26	26	26	26	26	26	26
Monthly Production-Tons		100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,200,000
Remaining Coal	2,360,000	2,260,000	2,160,000	2,060,000	1,960,000	1,860,000	1,760,000	1,660,000	1,560,000	1,460,000	1,360,000	1,260,000	1,160,000	

5th Yr Oil



**Consolidated Cash Flow Projection**  
**5<sup>th</sup> Year Reliford Project**

	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Total
Sales- Assumes \$70 Barrel	281,049	285,308	289,566	293,824	298,083	302,341	306,599	310,858	315,116	319,374	323,633	327,891	3,653,642
Total Cash	281,049	285,308	289,566	293,824	298,083	302,341	306,599	310,858	315,116	319,374	323,633	327,891	
Cash Disbursements													
Royalties													
Land Owners	70,262	71,327	72,392	73,456	74,521	75,585	76,650	77,714	78,779	79,844	80,908	81,973	913,410
D&D Energy	7,026	7,133	7,239	7,346	7,452	7,559	7,665	7,771	7,878	7,984	8,091	8,197	91,341
Cost of sales	77,289	78,460	79,631	80,802	81,973	83,144	84,315	85,486	86,657	87,828	88,999	90,170	1,004,752
G & A Expenses													
Salaries	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	96,000
Payroll Taxes	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	2,640	31,680
Fringe Benefits	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Rent	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Engineering	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Business Insurance	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Travel	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Office Supplies	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Drilling/Reworking	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	420,000
Repairs & Maintenance	7,500	7,800	8,100	8,400	8,700	9,000	9,300	9,600	9,900	10,200	10,500	10,800	109,800
Consultants	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
Prof Services (Legal/Acct)	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Telephone/Communications	450	450	450	450	450	450	450	450	450	450	450	450	5,400
Utilities	750	780	810	840	870	900	930	960	990	1,020	1,050	1,080	10,980
Depletion Allowance	0	0	0	0	0	0	0	0	0	0	0	0	0
Misc. Expenses	0	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	16,500
Hauling Expense	600	624	648	672	696	720	744	768	792	816	840	864	8,784
<b>Total Expenses</b>	<b>141,179</b>	<b>144,204</b>	<b>145,729</b>	<b>147,254</b>	<b>148,779</b>	<b>150,304</b>	<b>151,829</b>	<b>153,354</b>	<b>154,879</b>	<b>156,404</b>	<b>157,929</b>	<b>159,454</b>	<b>1,811,296</b>
Loan Repayment													
Proceeds from Grant													
Equity Investments													
Purchase of fixed assets													0
Equity Distributions													
Total Other		0	0	0	0	0	0	0	0	0	0	0	
Ending Cash Balance	139,871	141,104	143,837	146,571	149,304	152,037	154,771	157,504	160,237	162,970	165,704	168,437	1,842,346
Wells In Operation	25	26	27	28	29	30	31	32	33	34	35	36	



**Consolidated Cash Flow Projection**  
**5<sup>th</sup> Year Mining – Bledsoe**

	Startup	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	TOTAL
<b>1. CASH ON HAND</b> [Beginning of month]														
<b>2. CASH RECEIPTS</b>														
(a) Cash Sales @ \$80 ton		2,000,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	28,400,000
(b) Collections from Credit Accounts														-
(c) Loan or Other Cash Injection														-
<b>3. TOTAL CASH RECEIPTS</b> [2a + 2b + 2c=3]	-	2,000,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	28,400,000
<b>4. TOTAL CASH AVAILABLE</b> [Before cash out] (1 + 3)	-	2,000,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	
<b>5. CASH PAID OUT</b>														
(a) Purchases (Misc)		-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Royalties @ 10%		200,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	240,000	1,680,000
(c) Contract Miner @ \$32 per ton		800,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	960,000	11,360,000
(d) Black Lung Expenses		-	-	-	-	-	-	-	-	-	-	-	-	-
(e) Employee Benefits & Profit Sharing		-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Supplies (Office and operating)		-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Repairs and Maintenance-(equipment)		-	-	-	-	-	-	-	-	-	-	-	-	-
(g) Advertising- (Employment Ads)		-	-	-	-	-	-	-	-	-	-	-	-	-
(h) Auto Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(i) Professional Fees		18,750	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500	266,250
(j) Rent		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(k) Telephone		375	375	375	375	375	375	375	375	375	375	375	375	4,500
(l) Utilities		600	600	600	600	600	600	600	600	600	600	600	600	7,200
(m) Insurance & Bonding		9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	108,000
(n) Taxes (F&E,Severance)		6,250	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	88,750
(o) Permits & Licenses		-	-	-	-	-	-	-	-	-	-	-	-	-
(p) Travel Expenses		1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
(q) Bank Charges		100	100	100	100	100	100	100	100	100	100	100	100	800
(r) Equipment Lease		-	-	-	-	-	-	-	-	-	-	-	-	-
(r-1) Haul & Crush		50,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	420,000
(s) Fuel		-	-	-	-	-	-	-	-	-	-	-	-	-
(t) Subtotal	-	1,088,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	1,303,675	
(u) Loan Principal Payment														-
(v) Capital Purchases														-
(w) Other Start-up Costs		15,625	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	221,875
(x) Reclamation		31,250	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	443,750
(y) Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-
<b>6. TOTAL CASH PAID OUT</b> [Total 5a thru 5w]	-	1,135,550	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	1,359,925	16,094,725
<b>7. CASH POSITION</b> [End of month] (4 minus 6)	-	864,450	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	1,040,075	
<b>ESSENTIAL OPERATING DATA</b> [Non-cash flow information]														
Mining Cost per Ton		45	45	45	45	45	45	45	45	45	45	45	45	45
Monthly Production-Tons		25,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	355,000
Remaining Coal	3,818,500	3,793,500	3,763,500	3,733,500	3,703,500	3,673,500	3,643,500	3,613,500	3,583,500	3,553,500	3,523,500	3,493,500	3,463,500	