

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 10-K

(Amendment No. 1)

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2013

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. - 000-51033

MONDIAL VENTURES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Nevada

(State or Other Jurisdiction of Incorporation or Organization)

27-4481914

(I.R.S. Employer Identification No.)

6564 Smoke Tree Lane Scottsdale, AZ 85253

(Address of Principal Executive Offices) (Zip Code)

(480) 948-6581

(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange On Which Registered
Common Stock, \$0.001 par value	None

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a small reporting

company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer ☐

Accelerated Filer ☐

Non-Accelerated Filer ☐

Smaller Reporting Company ☒

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ • No ☒

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant’s most recently completed second fiscal quarter.

The aggregate market value of the registrant’s voting and non-voting common equity held by non-affiliates of the registrant on the last business day of the registrant’s most recently completed second fiscal quarter (based on the closing sale price as reported by the National Quotation Bureau) was approximately \$1,656,128.

Indicate the number of shares outstanding of each of the registrant’s classes of common stock, as of the latest practicable date.

As of April 9, 2014, the registrant had 13,201,872 shares of its \$0.001 par value common stock issued and outstanding. There are 100,000 shares of Series C preferred stock issued and outstanding, \$0.001 par value for each of the Series of Preferred.

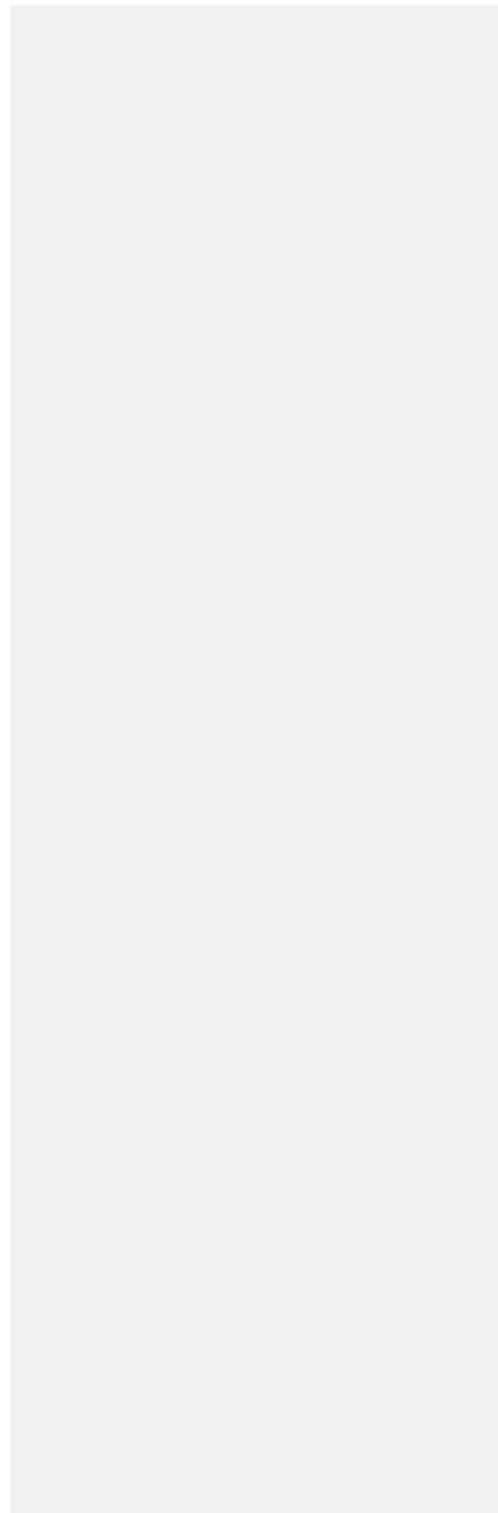
DOCUMENTS INCORPORATED BY REFERENCE

No documents are incorporated herein by reference.

MONDIAL VENTURES, INC.
FORM 10-K
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

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This Annual Report on Form 10-K includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company has based these forward-looking statements on the Company's current expectations and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us and the Company's subsidiaries that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "continue" or the negative of such terms or other similar expressions. Factors that might cause or contribute to such a material difference include, but are not limited to, those discussed elsewhere in this Annual Report, including the section entitled "Risks Particular to the Company's Business" and the risks discussed in the Company's other Securities and Exchange Commission filings. The following discussion should be read in conjunction with the Company's audited Consolidated Financial Statements and related Notes thereto included elsewhere in this report.

Explanatory note: This Form 10-K/A, Amendment No. 1, amends our Form 10-K for the fiscal year ended December 31, 2013, filed April 15, 2014, to respond to comments issued by the Securities and Exchange Commission.

PART I

ITEM 1 - DESCRIPTION OF BUSINESS

HISTORY

Mondial Ventures, Inc. (the "Company", "MNVN", "Mondial" "we", "us" or "our") was incorporated in the state of Nevada on May 29, 2002 as Mondial Ventures, Inc. with 75,000,000 shares of \$.001 par value common stock authorized.

In December 22, 2003, the Company was in development stage operations as an exploration stage mineral company engaged in the acquisition, and exploration of mineral properties with a view to exploiting any mineral deposits the Company would discover and that demonstrated economic feasibility. The Company's then sole initial mineral property, the Q29, was located in the Nanaimo Mining Division of British Columbia, Canada. The Company owned a 100% interest, subject to a 2% net smelter returns royalty in the four mineral claims comprising the Q29 property. The claims were purchased from Mr. Edward McCrossan of Vancouver, British Columbia for a cash payment of \$6,000. The objective was to conduct mineral exploration activities on the Q29 property in order to assess whether it possessed economic reserves of copper and gold. Such proposed exploration program was designed to search for an economic mineral deposit.

Effective December 1, 2010, the Company increased its authorized common shares to 250,000,000 with a par value of \$0.001, and authorized 10,000,000 shares of blank check preferred stock, par value \$0.001 per share, with such rights and preferences and manner of issuance as permitted by law may be determined by the Board of Directors.

On December 15, 2010, the claims related to the 100% interests owned in four contiguous mineral claims collectively known as the Q29 property expired and in light of the Company's then determination and preparation to change its business, the Company did not re-stake the claims.

On December 30, 2010, the Company completed a merger with Legacy Athletic Apparel, LLC, a Virginia limited liability company ("Legacy") (the "Merger Agreement") dated as of December 14, 2010, by and between the Company and Legacy. Pursuant to the Agreement and Plan of Merger, Legacy merged into the Company, with the Company being the surviving entity (the "Merger"). As a result of the Merger, the Company succeeded to the business and acquired all the assets and assumed all the liabilities of Legacy. This transaction was accounted for using the purchase method of accounting. The purchase price was allocated to the assets acquired and liabilities assumed based on their estimated fair values. Any excess purchase price over the fair value of the net assets acquired is recorded as goodwill with operating results are included in the Consolidated Statement of Operations since the date of the merger. The cost of the merger was \$51,000 and goodwill of \$104,272 was recorded. Upon the closing of the merger, each percent of common membership interest of Legacy issued and outstanding was converted automatically into the right to receive 510,000 shares of Mondial common stock, par value \$.001 per share, for an aggregate of 51,000,000 shares of common stock. The securities were issued pursuant to an exemption from registration under Rule 506 of Regulation D of the Securities Act of 1933, as amended (the "Securities Act").

On July 31, 2012 the Company purchased oil and gas assets and interests in the J.B. Tubb Leasehold Estate via a Securities Purchase Agreement ("SPA") and Assignment and Bill of Sale with EGPI Firecreek, Inc. ("EGPI" or "Investor") The Company issued 14,000,000 shares of common stock to EGPI along with the assumption of \$450,000 debt for 37.5% working interest ("WI"), and corresponding 28.125% net revenue interest ("NRI") in the oil and gas interests, and pro rata oil & gas revenue and reserves in the North 40, and additional rights agreement for the South 40 of the J.B. Tubb Leasehold Estate, respectively, and for all depths below the surface to 8500 ft. including all related assets, fixtures, equipment, three well heads and three well bores. Currently, there are three wells in operation on the property. The Company's principal place of business is 6564 Smoke Tree Lane, Scottsdale, AZ 85253.

On October 30, 2012 the Company entered into a Definitive Short Form Agreement with EGPI Firecreek, Inc. for development of 240 acre leases, reserves, three wells and equipment located in Callahan, Steven and Shackelford Counties, West Central Texas, which includes but is not limited to potential negotiations to buy out 50% partner interests, due diligence, an initial 3-D Seismic study reserve

studies and roll over leases if necessary. The agreement is non-binding and the parties intend to finalize the agreement by executing a Definitive Long Form Agreement in the future. The parties had until November 6, 2012 to finalize this agreement but did not do so by that date. Both parties are still interested in pursuing this transaction in the future.

Effective August 21, 2013, the Company increased its authorized common shares to 490,000,000 with a par value of \$0.001, and with its current 10,000,000 authorized shares of blank check preferred stock, par value \$0.001 per share.

Effective October 2, 2013, the Company increased its authorized common shares to 1,490,000,000 with a par value of \$0.001, and with its current 10,000,000 authorized shares of blank check preferred stock, par value \$0.001 per share.

Effective on January 31, 2014, the Company effected a one (1) for fifteen hundred (1,500) reverse stock split whereby, as of the record date, for every fifteen hundred shares of common stock then owned, each shareholder received one share of common stock. All share amounts throughout this report have been retroactively adjusted for all periods to reflect this stock-split.

As of July 31, 2012 through the balance of Fiscal 2012 as a result of the Company's acquisition of oil and gas leases, and discontinuation of the Legacy business development operations, the focus of the Company has shifted and will be on developing the existing and proposed new oil and gas projects.

For further information related to our history please see information in our Form 10K Reports filed on April 16, 2012 and April 15, 2011, respectively, along with filings on Form 10-Q and Form 8-K, as amended.

Overview

As of July 31, 2012 we are an oil and gas production company focused on the recovery and development of oil and natural gas.

Our Historical Business

Legacy – Mondial Merger

Pursuant to an Agreement and Plan of Merger dated as of December 14, 2010, entered into by and between Legacy Athletic Apparel LLC, ("Legacy") a Virginia limited liability company and Mondial a Nevada corporation, on December 30, 2010, Legacy merged into Mondial, with Mondial being the surviving entity. Prior to the Plan of Merger Legacy was formed in July 2010 as a Virginia limited liability company. As a result of the merger, Mondial succeeded to the business and acquired all the assets and assumed all the liabilities of Legacy. Previous business activities related to Legacy operations included the development, design, marketing and distribution of branded performance apparel, footwear and accessories for men, women and youth.

Historical Mining Operations

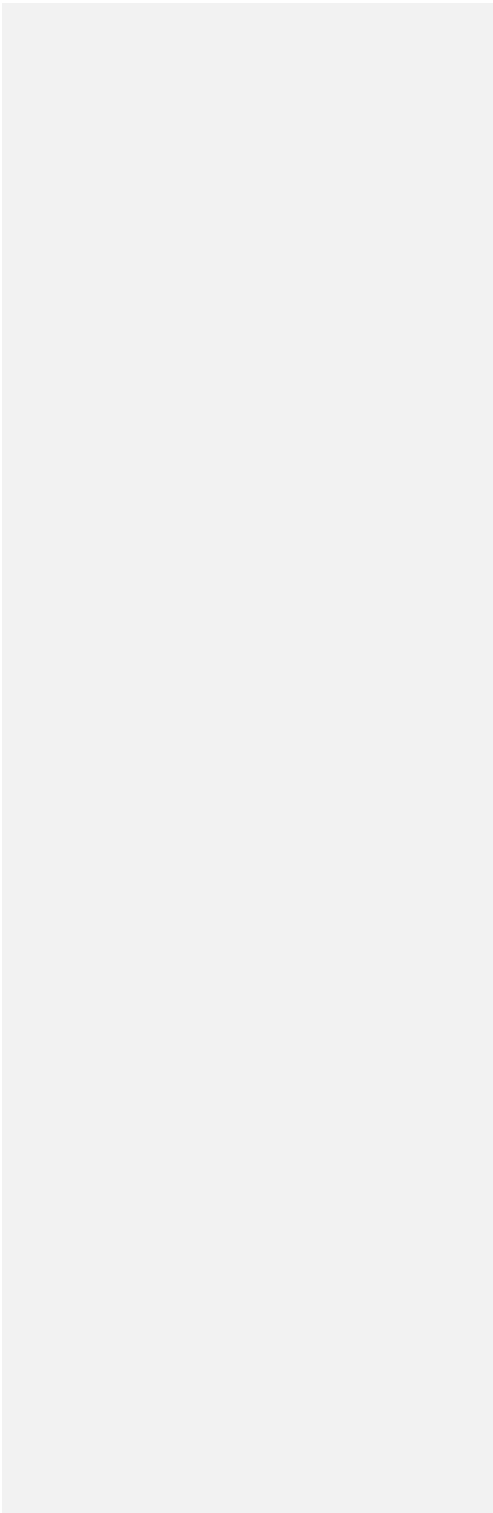
Prior to the historical merger with Legacy, the Company was an exploration stage mineral company engaged in the acquisition, and exploration of mineral properties with a view to exploiting any mineral deposits we would discover and that demonstrated economic feasibility. Prior to December 15, 2010, we owned a 100% interest in four contiguous mineral claims collectively known as the Q29 property. The claims expired on December 15, 2010, and in light of our determination to change our business as contemplated in the merger, we did not re-stake the claims.

RECENT DEVELOPMENTS

On March 26, 2014 the Company entered into a Modification and Extension to "Amended Participation Agreement" dated January 21, 2014. The Modification and Extension updates and extends Exhibit "B" of an Asset Purchase Agreement made and entered into as of January 21, 2014, the Effective Date ("Effective Date"), by and among Shale Corp., a corporation organized under the laws of the Province of Ontario in Canada with its principal place of business located at 365 Bay St, Suite 400, Toronto On, M5H 2V1 (the "Company"), and the Investor acting as the Company, along with approvals from Success Oil Co., Inc., its Operator and Partner, EGPI Firecreek, Inc. via its wholly owned subsidiary Energy Producers, Inc., Partner, and TWL Investments, LLC, investing participants, to amend, modify and extend Section II. Paragraph one thereto, giving extra time to the Participation Agreement allowing for six (6) months (through June 30, 2014 unless mutually extended by all parties thereto) for participants to deliver to Operator Participant's share of the Turnkey Cost to Casing Point for drilling of the first Prospect Well, and the first project for development on a successful completion of financing. For further information please see Exhibit 10.1 to a Current Report on Form 8-K, filed on April 3, 2014, along with additional information contained in our Form 8-K and Exhibits 10.1, 10.2 and 10.3 filed on February 7, 2014.

On March 26, 2014 the Company entered into a Second Amendment to Modification, Amendment, and Further Extension of the Agreement to Extend Option dated effective on December 31, 2013 between EGPI Firecreek, Inc. on behalf of itself and all of its wholly owned subsidiaries including, but not limited to, Energy Producers, Inc. ("EPI"), and the Company, which is amended to be by and through 2301840 Ontario Inc., a wholly owned subsidiary of Boomerang Oil, Inc. (formerly 0922337 BC LTD) ("Boomerang"), now a Majority owned subsidiary of the Company. The parties thereto, as amended, having earlier entered into an Agreement to Extend Option with Success Oil Co., Inc., ("Success") along with all the parties to wit, agreed summarily to i) further extend the Option Agreement through June 30, 2014 unless further modified or extended by the parties in writing, and ii) in summary, to allow certain past due capital expenditure costs in the total aggregate amount of \$200,000 historically held by Success to begin to be paid out of available cash flow on a monthly basis from the Joint Interest Billings, and from only the current producing economic wells and interests, pro rata, not to include future wells, and to begin after April 6, 2014 for the January 2014 forward billings, until paid, unless otherwise negotiated to the satisfaction of Success. For further information please see Exhibit 10.1 to a Current Report on Form 8-K, filed on April 3, 2014,

along with additional information contained in our Form 8-K and Exhibits 10.1, 10.2 and 10.3 filed on February 7, 2014.



On February 7, 2014 the Company reported that it entered into an Asset Purchase Agreement on January 21, 2014, by and among Shale Corp. a private corporation organized under the laws of the Ontario with its principal place of business located at 365 Bay St, Suite 400, Toronto On, M5H 2V1 ("SCorp" or "Purchaser"). This is for the purpose of establishing majority owned subsidiary operations to be consolidated with the Company to support its current and future oil and gas development plans for certain of its properties and interests existing before the transaction (for additional information please see our Form 8-K filed on February 7, 2014, incorporated herein by reference). As part of the closing processes for the transaction, then on March 31, 2014, SCorp closed a "three cornered amalgamation" pursuant to an acquisition and amalgamation agreement ("Amalgamation Agreement") dated March 25, 2014 among Boomerang Oil Inc. (formerly 0922327 B.C. Ltd.) ("Boomerang"), SCorp, and 2301840 Ontario Inc. ("Newco"), a wholly-owned subsidiary of Boomerang incorporated solely for the purpose of completing the Amalgamation. Pursuant to the Amalgamation Agreement, SCorp amalgamated with Newco to form a combined entity ("Amalco") and Boomerang issued 70,000,000 common shares in the capital of Boomerang to the holders of common shares in the capital of SCorp on the basis of one share of Boomerang for one share of SCorp held by the SCorp shareholders. Upon closing of the Amalgamation, the Registrant owns 66% of Boomerang. Boomerang has received conditional approval for listing its common shares on the Canadian Securities Exchange (the "CSE") and is in final process of listing and trading on the CSE. For further information also please see our Current Report on Form 8-K filed on March 31, 2014.

On March 21, 2014, the Circuit Court in the Twelfth Judicial Circuit in and for Sarasota County, Florida (the "Court"), entered an Order Granting Approval of Settlement Agreement (the "Order") approving, among other things, the fairness of the terms and conditions of an exchange pursuant to Section 3(a)(10) of the Securities Act of 1933, as amended (the "Securities Act"), in accordance with a Settlement Agreement (the "Settlement Agreement") between the Company and IBC Funds, LLC, a Nevada limited liability company ("IBC"), in the matter entitled IBC Funds, LLC, vs. Mondial Ventures, Inc., Case No. 2014 CA 011677 NC (the "Action"). IBC commenced the Action against us to recover an aggregate of \$206,000 of past-due accounts payable, which IBC had purchased from certain of our vendors pursuant to the terms of separate claim purchase agreements between IBC and each of the respective vendors (the "Assigned Accounts"), plus fees and costs (the "Claim"). The Assigned Accounts relate to certain transfer agent fees, oil and gas development costs, oil and gas reserve and engineering report costs, and legal fees and services, and consulting fees. The Order provides for the full and final settlement of the Claim and the Action. The Settlement Agreement became effective and binding on March 21, 2014. For further information please see a Current Report on Form 8-K filed on March 31, 2014, incorporated herein by reference.

On January 30, 2014 the Company reported in its Current Report on Form 8-K that the Financial Institution Regulatory Authority ("FINRA") approved our Reverse Stock Split to become effective on Friday, January 31, 2014 (the "Effective Date"). On the Effective Date every fifteen hundred shares of the Company's common stock issued and outstanding was automatically combined into one issued and outstanding share of common stock. The financial statements in this report reflect and restate the outstanding shares as if the reverse stock split on a 1:1,500 basis were effective at the period ended December 31, 2013. The new CUSIP number for this corporate action is 60921T205.

On January 14, 2014, the Board of Directors, pursuant to its authority to create and establish provisions for new classes of preferred stock, approved the Certificate of Designations establishing a new Series C Preferred Stock and the rights, preferences and privileges thereof. The Certificate of Designations was filed with the Secretary of State of the State of Nevada on July 13, 2014 and effective as of January 14, 2014. Some of the material terms for the new shares of Series C Preferred Stock include i) the number of shares constituting Series C preferred stock shall be two million (2,000,000) shares out of the total ten million preferred shares authorized by the Corporation, ii) the Series C preferred shall have a par value of \$0.001 per share and shall be designated as "Series C Preferred Stock", iii) each share of Series C preferred stock shall have 31,500 votes on the election of our Directors and for all other purposes, iv) each share of Series C preferred stock shall be strictly limited and not to be available for transfer or re sale unless authorized by a majority of a quorum of the Board of Directors in accordance with the Company's Bylaws. For the full summary of the rights, powers and preferences of the Series C preferred shares please see information set forth in the Certificate of Designations attached on Exhibit 3.1 of an 8-K, Item 5.03, filed on January 15, 2014, incorporated herein by reference.

On January 14, 2014 the Company entered into a Letter of Intent with Ben J. Taylor, Inc. ("Taylor") of Fort Worth, Texas. The plans if fully implemented will include the Company to join with Taylor in the development of the Third Bone Springs and Wolfcamp formations in the University 18-19A "No. 1" well at approximately 11,000 foot depth, located in Ward County, Texas. The Company and Taylor plan to employ a high volume staged frac technique to develop the known proven reserves in the two formations. Apache and EOG Resources, Inc. have offsetting wells which have been very prolific in these zones. The program will require the Company to raise an estimated \$1.2 million for Capital Expenditures related to the program. The program would allow for initial finance for the program to be recaptured first out of 100% working interest revenues before a 50/50 ongoing split based on approximately 75% net revenue interests. Subject to final agreement of the parties within approximately 60 days, and subject to due diligence, rig availability, and successful completion of CAPEX financing for the program the Company expects to start field operations within 90 to 120 days.

On January 13, 2014 the Company entered into a Letter of Intent with Firecreek Global, Inc. to drill two inside locations to the Ellenberger formation at 4500 ft. on its Jackson Lease in Callahan County, Texas. This is a direct offset to an Ellenberger well drilled in 1951 which initially produced 317 BOPD. There are four additional zones that were drill stem tested and found to be potentially commercial. Subject to successfully completing CAPEX financing for the program then initially a seismic study will be conducted over the unexplored area of the 1,096 acre lease. Based upon the results of the seismic and geological study a drilling program will be adopted to develop the multiple known producing reservoirs on the lease. The Company will have the option to take approximately one-half of the working interest in the proposed development drilling program. Upon completion of finance and definitive agreements which allocations for expenditures will require approximately \$975,000 to commence various studies along with the initial two well program development, field operations are expected to commence in April 2014, and some additional extensions for time have been discussed as reasonably may be needed.

The Company has been making presentations to asset-based lenders and other financial institutions for the purpose of acquiring additional projects and financing capital expenditures to build upon its infrastructure for its oil and gas operations in 2013. The Company throughout its first quarter of operations for 2013 has been pursuing projects for acquisition and development of select targeted oil and gas proved producing properties with revenues, having upside potential and prospects for enhancement, rehabilitation, and future development. These prospects are primarily located in Eastern Texas, and in other core areas of the Permian Basin.

The Company's goal is to build our revenue base and cash flow; however, the Company makes no guarantees and can provide no assurances that it will be successful in these endeavors.

THE BUSINESS

We are an independent oil and gas company engaged in the exploration, development and exploitation of crude oil and natural gas properties primarily in the United States. We have focused our activities on projects based in i) the Permian Basin areas of Texas, and ii) surrounding States and regions in the U.S. for activities related to oil and gas production, and related business.

The Company as of July 31, 2012 has commenced building and integrating one line segment of operations and for production and development of oil and gas and its infrastructure which throughout 2013 forward we are currently focused on building domestically.

As of December 31, 2013, the Company has one economic well and two stripper wells in production which are located in Ward County, Texas. The Company has current and future plans for oil and gas development initially on the J.B. Tubb Leasehold Estate, but has not yet commenced its drilling program.

Oil and Gas Units (line segment of operations) Transitioning Stage

Our business and our ability to acquire mineral rights, targeted rehabilitation projects with upside potential, and participate in drilling activities are due primarily to the relationships we have developed over the years with our operating partners, and key industry advisors. We believe our competitive advantage lies in our ability to locate good potential oil and gas property acquisitions, resource plays, and other business opportunities and interests located primarily in Texas and surrounding States.

The Company's goal moving forward will seek to operate its assets so it can develop drilling programs that not only replace production, but add value through reserve growth, production growth and future operational synergies. The development program goals are to enable repeatable drilling opportunities to maintain and/or grow cash flow.

2012 Acquisition of 37.5% Working Interests, J.B. Tubb Leasehold Estate, Amoco Crawar Field, Ward County, Texas

On July 31, 2012, we entered into a Stock Purchase Agreement ("SPA") with EGPI Firecreek, Inc. through its wholly owned subsidiary Energy Producers, Inc. ("Investors" or "EGPI") delivered an Assignment and Bill of Sale (the "Assignment and Bill of Sale Agreement") for the following oil and gas interests and assets summarily described as follows: Under the terms of the agreement, effective July 31, 2012, we i) acquired a 37.5% Working Interest and 28.125% corresponding Net Revenue Interest in the North 40 acres of the J.B. Tubb Leasehold Estate/Amoco Crawar field and oil and gas interests, including all related assets, fixtures, equipment, three well heads, three well bores, and pro rata oil & gas revenue and reserves for all depths below the surface to at least 8500 ft. The field is located in the Permian Basin and the Crawar Field in Ward County, Texas (12 miles west of Monahans & 30 miles west of Odessa in West Texas), ii) also acquired 37.5% Working Interest and 28.125% corresponding Net Revenue Interest in the Highland Production Company No. 2 well-bore located in the South 40 acres of the J.B. Tubb Leasehold Estate/Amoco Crawar field, oil and gas interests, pro rata oil & gas revenues and reserves with depth of ownership 4700 ft. to 4900 ft in well bore and 3800 ft. to 4000 ft in well bore, and iii) a Participation Agreement (Turnkey Drilling, Re Entry, and Multiple Wells) granting certain rights in and to interests for additional development in the J.B. Tubb Leasehold Estate. For further information please see our Current Report on Form 8-K filed on August 9, 2012.

2014 Acquisition of an Additional 12.5% Working Interests, J.B. Tubb Leasehold Estate, Amoco Crawar Field, Ward County, Texas

On January 27, 2014, the Company executed an Omnibus Agreement with EGPI, TWL Investments aLLC ("TWL"), and Thomas J. Richards ("TJR") whereby EGPI delivered an Assignment and Bill of Sale (the "Assignment and Bill of Sale Agreement") for transfer of

i) an additional 12.5% Working Interest and corresponding 9.375% Net Revenue Interest in the North 40 acres of the J.B. Tubb Leasehold Estate/Amoco Crawar field and oil and gas interests, including all related assets, fixtures, equipment, three well heads, three well bores, and pro rata oil & gas revenue and reserves for all depths below the surface to at least 8500 ft. ii) 12.5% Working Interest and 9.375% corresponding Net Revenue Interest in the Highland Production Company No. 2 well-bore located in the South 40 acres of the J.B. Tubb Leasehold Estate/Amoco Crawar field, oil and gas interests, pro rata oil & gas revenues and reserves with depth of ownership 4700 ft. to 4900 ft in well bore and 3800 ft. to 4000 ft in well bore, and iii) interest in the Participation Agreement (Turnkey Drilling, Re Entry, and Multiple Wells) granting certain rights in and to interests for additional development in the J.B. Tubb Leasehold Estate. For further information please see our Current Report on Form 8-K, Item 1.01 sub item III, and Exhibit 10.2 thereof filed on February 7, 2014.

2012 Purchase Costs Associated With Our Acquired Interests in the Texas, J.B. Tubb Leasehold Estate

Per our entry into the SPA with EGPI, we agreed to authorize and issue 14,000,000 shares of our common restricted stock to EGPI or Investors, and in addition, assume four hundred fifty thousand dollars (\$450,000) debt on the books of EGPI held by TWL Investments, a LLC and according to its Agreement and terms, as amended. Assumption of the four hundred and fifty thousand dollar (\$450,000) pro rata portion of debt, carry identical terms as of the date of even per an Agreement effective as of July 1, 2012 by and between EGPI Firecreek, Inc., a Nevada corporation, and its wholly owned subsidiary Energy Producers Inc., also a Nevada corporation, and TWL Investments, a LLC, an Arizona limited liability company, each a “Party” and collectively (the “Parties”). For further reference and to view the Agreement as amended, please see Agreement Regarding Promissory Note of May 9, 2012, listed on Exhibit 10.10 to a Current Report on Form 8-K filed by EGPI with the Securities and Exchange Commission on August 3, 2012.

2014 Purchase Costs Associated With Additional Oil and Gas Interests We Acquired in the Texas, J.B. Tubb Leasehold Estate

On January 27, 2014, the Company executed an Omnibus Agreement with EGPI, TWL Investments aLLC (“TWL”), and Thomas J. Richards (“TJR”). In behalf of consideration we paid to EGPI in the amount of \$218,875 and assumption and exchange of debt in the aggregate total amount of five hundred fifty thousand dollar (\$550,000) negotiated with EGPI, TWL and TJR for releases to allow for the transfer of oil and gas interests, we acquired i) an additional 12.5% Working Interest and corresponding 9.375% Net Revenue Interest in the North 40 acres of the J.B. Tubb Leasehold Estate/Amoco Cawar field and oil and gas interests, including all related assets, fixtures, equipment, three well heads, three well bores, and pro rata oil & gas revenue and reserves for all depths below the surface to at least 8500 ft. ii) 12.5% Working Interest and 9.375% corresponding Net Revenue Interest in the Highland Production Company No. 2 well-bore located in the South 40 acres of the J.B. Tubb Leasehold Estate/Amoco Cawar field, oil and gas interests, pro rata oil & gas revenues and reserves with depth of ownership 4700 ft. to 4900 ft in well bore and 3800 ft. to 4000 ft in well bore, and iii) interest in the Participation Agreement (Turnkey Drilling, Re Entry, and Multiple Wells) granting certain rights in and to interests for additional development in the J.B. Tubb Leasehold Estate. For further information please see our Current Report on Form 8-K, Item 1.01 sub item III, and Exhibit 10.2 thereof filed on February 7, 2014.

2012 and 2013 Work Program Costs Associated With Our Acquired Oil and Gas Interests in the Texas, J.B. Tubb Leasehold Estate

On August 31, 2012 the Company entered into a loan agreement in the face amount of \$100,000 with a private party (the “Note”). Proceeds thereof in the amount of \$80,000 were used in part to finance an Escrow Agreement requirement in behalf of a Turnkey Rework Agreement, exhibits and attachments including Oil and Gas Participation Agreement (Turnkey Drilling, Re Entry, and Multiple Wells) dated July 31, 2012, by and between one or more parties including the Company, Success Oil Co., Inc., EGPI Firecreek, Inc., and EGPI Firecreek, Inc. via its wholly owned subsidiary Energy Producers, Inc. The Escrow for the Turnkey Rework Agreement further provided for Success Oil Co., Inc. (“Success”) of Beverly Hills CA, also a licensed Texas operator, and the Company’s operator and partner, to perform a work program perforating the Glorieta payzone (in the South 40 acres of the J. B. Tubb Leasehold Estate) at intervals ranging from 3,800 feet to 4,000 feet, plus additionally to acidize and swab on the J.B. Tubb Leasehold Estate Cawar #2 well.

The work program was designed and implemented by Success Oil Co., Inc. our operator and partner to generate oil and gas production targeted in the Glorieta horizon. The well has a geological composite of dolomite and the resulting well resulted in both oil and gas production with 40% oil cut to water ratio. Initial flush production for the first month as total gross for the well was encouraging at a gross of approximately 1700 barrels of oil and 3.9 million cubic feet gas of which the Company’s share is according to its working and net revenue interests. The result for the Cawar #2 perforation into the Glorieta to date has had a reasonable result impact but overall has not yet reached the desired expectation for results as there needs to be a fracing procedure performed to open the fluid in the dolomite rock. The Company believes if it makes this approximate capital expenditure estimated at \$150,000 that this will increase and stabilize productions.

Future Development Contemplated Related to Operations For J.B. Tubb Leasehold Estate, located in the Amoco Cawar Field, Ward County, Texas

The following Contemplated Future Development Proposed for J.B Tubb Leasehold Estate interests should note discussion for set up of new subsidiary operations in the Section of this Report on “Recent Developments”, and more further described and discussed in our Current Reports on Form 8-K filed on February 7, 2014 and March 31, 2014.

Operations for 2014 have requested the Company to consider a conventional frac to be performed to open up the rock to increase fluid entry and the expectation to increase production levels for oil and gas from the Glorieta formation on the Cawar #2 of the J.B. Tubb Leasehold Estate, and most often a standard procedure required for Devonian rock. The required capital expenditure for this work program AFE turnkey is approximately \$150,000 and initially requested for early 2013 planning, and reset for as soon as practicable for 2014 with a good and reasonable expectation to substantially increase production levels and averages for the well formation.

As part of the SPA with EGPI, on July 31, 2012 we entered into an Oil and Gas Participation Agreement (Turnkey Drilling, Re Entry, and Multiple Wells) and principally located on the South 40 of the J.G. Tubb Leasehold Estate, whereby Success Oil Co., Inc granted to us, under certain circumstances listed therein the participation agreement, a right of first refusal for certain drilling and development, and recently entered into an Agreement to Extend Option. The Company on a best efforts basis will pursue financing for Capital Expenditure (CAPEX) to drill a minimum of one new Ellenburger Well in the amount one million five hundred seventy five thousand (\$1,575,000) dollars and up to three new wells discussed further this section, with reasonabe consideration for cost adjustment due to current market

conditions, see further this section, and Success acknowledges that the Company and or its assignee shall be able to negotiate and or sell interests and or participation in the development of any additional well(s) under terms of the original Participation Agreement, on a best efforts basis, with such partner sharing an interest equivalent to its proportionate funding of such project(s), and or other terms of negotiation as may be agreeable by the Company and such proposed partner, if any, including any modification of this Agreement or the original participation agreement held by EGPI amended as of June 19, 2012, extended with various amendments and modifications through December 31, 2013, and again most recently thorough June 30, 2014, with a provision for future extension as long as it is formally reviewed and approved in a writing by Success and the Parties thereto (see "Recent Developments").

The following formations are currently available for oil & gas drilling considerations in the South 40 acreage which include: Glorietta, Upper Clearfork, Tubbs, Lower Clearfork, Wichita Albany, Wolfcamp, Detrital Zone, Devonian, Lower Permian, Waddell, and Ellenburger formations with two potential locations for Ellenburger on the South 40 and one on the North 40. The Company along with its partners anticipates drilling a series of wells on the J.B. Tubb Leasehold Estate/Amoco Cawar Field, South 40 according to certain rights and option programs discussed herein. In addition to the South 40 prospects via option programs and participation rights discussed herein, there are three remaining potential prospects located on the North 40 owned by the Company to be developed in the Devonian, Waddell and additional Ellenburger locations away from existing wells at depths of 7,100', 7,800' and 8,350' respectively.

Our objective now updated for 2014 would be to drill the first well in the Ellenburger formation located on the South 40 of the JB Tubb Leasehold estate which geologically is updip. To note, the CRAWAR Field that the JB Tubb Leasehold Estate is a faulted anticline with multiple producing horizons. The Ellenburger formation is good potential as our target for drilling sets along a fault plane increasing viability noted by Certified Geologist below the Wolfcamp at appx 6,200' and therefore Ellenburger viable at approximately 8,300'-8,400' feet. The Ellenburger capital expenditure for \$1.575 to \$1.6 million on a Turnkey basis. The second and third wells located on the South 40 for additional drilling and development would be drilling a well in the Waddel formation to 7,700 -7,900' foot depth. The CAPEX for the Waddel formation is estimated at \$1.0 to \$1.475 million Turnkey. Thereafter, we would drill to the Wolfcamp formation at approximately 6,200' foot depth. The Wolfcamp CAPEX estimate is at \$1.0 to \$1.21 million Turnkey and under the terms of the Participation Agreement held by the Company and co interests.

Unless one million five hundred seventy five thousand (\$1,575,000) dollars in CAPEX of the aggregate amount of three million six hundred thousand (\$3,600,000) dollars in CAPEX is raised by the Company or assign for the drilling of not less than one but up to three new wells by participation, earn in, sale, or other method on the South 40 of the J.B. Tubb Leasehold Estate, and acceptable to Success during the term of the newly reinstated Agreement, then the newly reinstated Agreement, unless terms are either modified and or mutually extended in a writing by the parties thereto, will otherwise expire on June 30, 2014 (see also information under "Recent Developments" in this report), leaving the Company with the remaining potential for the North 40 development.

Proposed Acquisition of 50% Oil and Gas Working Interests, Callahan, Stephens, and Shakelford Counties, Texas

Current Discussion

The following proposed acquisition should note discussion for set up of new subsidiary operations which would include for this proposed acquisition of 50% Oil and Gas Working Interests, Callahan, Stephens, and Shakelford Counties, Texas, are more further described and discussed in our Current Report on Form 8-K, and Exhibit 10.1 thereto filed on February 7, 2014, our Current Report on Form 8-K filed on March 31, 2014 and updated per overall referencing in the Section of this Report on "Recent Developments".

General Background

On October 30, 2012, the Company as the assignee of CUBO Energy PLC entered into a Linear Short Form Agreement with EGPI Firecreek, Inc. through its wholly owned subsidiary Energy Producers, Inc. ("EGPI") involving evaluation, and preparation for the proposed acquisition of oil and gas interests subject to certain requirements. The interests relating to 50% working interests and corresponding 32% net revenue interests in oil and gas leases representing the aggregate total of 240 acre leases, reserves, three wells, and equipment located in Callahan, Stephens, and Shakelford Counties, West Central Texas. The parties had until November 6, 2012 to finalize this agreement but did not do so by that date. Both parties are still interested in pursuing this transaction in the future through our new subsidiary operations discussed above in Current Discussion.

Evaluation and Implementation Costs Associated with the Proposed Acquisition and Development of 50% Oil and Gas Working Interests, Callahan, Stephens, and Shakelford Counties, Texas

Acquisition evaluation and implementation costs total \$175,000. The costs to be paid by the Company is to buy out 50% partner interests, and other costs, including lease extensions if necessary, and to include a seismic study when total funds are available. The seismic study will focus on specific Barnett Shale formation characteristics that will assist in the drilling of one and possibly two Barnett horizontal wells or an equivalent of up to eight vertical wells on the Boyette lease at a proposed initial depth of approximately 5,200' to 5,500' feet. We are targeting the oil segment or phase of the Barnett Shale and have justified the seismic study.

Future Development and Work Program Costs Associated With a Fully Completed Acquisition of 50% Oil and Gas Working Interests, Callahan, Stephens, and Shakelford Counties, Texas,

On successful seismic testing anticipated AFE for Barnett Horizontal Well program would be estimated to be \$1,000,000 per horizontal well to be split between the partners for the AFE costs. Firecreek to come to terms of agreement regarding financing for the proposed drilling and development should the parties agree to further move forward after the Seismic study.

For additional information please see our Current Report on Form 8-K, as amended, filed on November 15, 2012, our Current Report on Form 8-K February 7, 2014, Exhibit 10.1 thereto, in our Report on Form 10-K filed on April 29, 2013, in Reports on Form 10-Q filed during 2013, and elsewhere in this Report.

The Material terms of a proposed future Operating Agreement for a completed Acquisition of 50% Oil and Gas Working Interests, Callahan, Stephens, and Shakelford Counties, Texas,

The Company has, subject to further change or modification, a standard AAPL form operating agreement with an independent contractor to operate for the proposed activities the subject properties on a contract basis for our share of Working Interests (50%). At the present time Whitt Oil and Gas, Inc. is the independent contractor for EGPI (the “Independent Contractor” or “Operator”) and will be modified or changed to administer the Company’s proposed and pending interests. It will be expected that the operator when in place will furnish the monthly Lease Operation Expense and various activity reports to the Company. Upon successful commencement of production, run checks (payments) expected from future sales of oil and gas are to be sent to the operator from the purchasers for oil and gas produced. The designated gatherer for the oil the natural gas will be established. The independent contractor will be expected to administer monthly activities, and after payment of management, consulting, and lease-operating expenses (LOE’s), Whitt will collect and compile the Joint Interest Billing (JIB) Statements and prepares those certain reports and financial statements related to production income and expenses for monthly delivery to Company’s accounting for compilation along with its share of the payment to be received according to its interests.

Competition

The oil and gas industry is highly competitive. As a new independent domestic producer entering the oil and gas business, the Company will not initially own and may never own any refining or retail outlets and may have little control over the price it will receive for planned crude oil production. Although management has established relationships in its proposed acquisition activities, significant competition by individual producers and operators or major oil companies exists. Integrated and independent companies and individual producers and operators are active bidders for desirable oil and gas properties. Many of these competitors have greater financial resources than the Company currently has now or may have in the near future.

Texas Regulations

Any oil undertaking with the State of Texas requires obtaining necessary permits and approvals from the Railroad Commission of Texas (“RRC”). Once a lease is obtained an operator’s agreement must be on file with the RRC. Federal regulations including those governed by the Environmental Protection Agency must also be strictly followed (see additional discussion addressing the regulatory environment governing oil & gas drilling and production found under “Business Risks”; “Governmental Regulation”). We believe our operators through the date of this Report, both previous and current, have obtained and or filed all necessary permits and reports to operate the wells and maintain compliance associated with the Company’s oil and gas interests held in the J.B. Tubb Leasehold Estate.

Financial Information about Segments and Geographic Areas

We have not segregated our operations into geographic areas given the fact that all of our proposed production activities for closed transactions to date occur within the Permian Basin of West Central Texas.

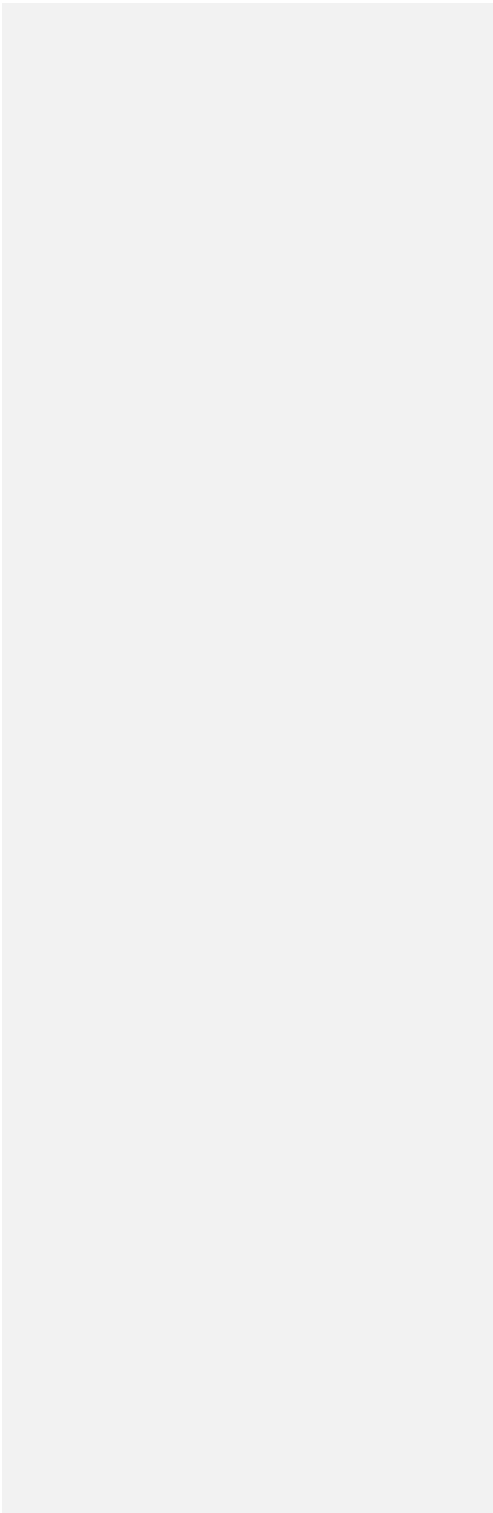
Entry and Eventual Stability In The Oil And Gas Business Will Be Dependent Largely On Our Ability To Acquire Significant Amounts of Financing

The Company’s entry and eventual stability in the oil and gas business will be dependent largely on the ability to continuously acquire significant financing amounts, and other potential financing providers, to carry out and implement its plans (see “Management Discussion and Analysis”, “Business Risks”, and “Liquidity and Capital Resources” sections).

The Company is presently in different stages of review and discussion, gathering data and information, and any available reports on other potential field acquisitions, work over programs, and new drilling projects, located in Texas, and other productive regions and areas in the U.S. However, no assurances can be given by the Company that it will be successful in pursuing these other prospects.

Successful negotiations for acquisitions, confidentiality, timing and the Company’s financial capabilities will continue to play a significant role in any success of both current and future operations for the Company activities, including its subsidiary operations, and/or any future planned subsidiary or special purpose entity (SPE) operations which may exist in the future.

From time to time Management will examine oil and gas operations in other geographical areas for potential acquisition and joint venture development.



ITEM 1A. RISK FACTORS

RISKS RELATED TO OUR BUSINESS

We incurred historical losses and have a working capital deficit. As a result, we may not be able to generate profits, support our operations, or establish a return on invested capital.

We had a net loss in the fiscal year ended December 31, 2013 of \$2,453,568 and a net loss in fiscal year ended December 31, 2012 of \$2,139,867. As of December 31, 2013, we had a working capital deficit of \$1,363,383. In addition, we expect to increase our infrastructure and operating expenses to fund our anticipated growth. As a result, we may not be able to generate profits in 2014 or thereafter and may not be able to support our operations or otherwise establish a return on invested capital. We cannot assure you that any of our business strategies will be successful or that significant revenues or profitability will ever be achieved or, if they are achieved, that they can be consistently sustained or increased on a quarterly or annual basis.

We Expect Our Operating Losses To Continue.

The Company expects to incur increased operating expenses during fiscal year 2013. The amount of net losses and the time required for the Company to reach and sustain profitability are uncertain. The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties, and delays frequently encountered in connection with a new business, including, but not limited to, uncertainty as to development and acquisitions and the time required for the Company's planned production to become available in the marketplace. There can be no assurance that the Company will ever generate increased product revenue or achieve profitability at all or on any substantial basis.

Our Level Of Indebtedness May Affect Our Business.

Our level of indebtedness could have important consequences for our operations, including:

We may need to use a large portion of our cash flow to repay principal and pay interest on our current and anticipated debt, which will reduce the amount of funds available to finance our operations and other business activities;

Our debt level may make us vulnerable to economic downturns and adverse developments in our businesses and markets; and

Our debt level may limit our ability to pursue other business opportunities, borrow money for operations or capital expenditures in the future or implement our business strategy.

We expect to obtain the funds to pay our expenses and to pay principal and interest on our debt by utilizing cash flow from operations. Our ability to meet these payment obligations will depend on our future financial performance, which will be affected by financial, business, economic and other factors. We will not be able to control many of these factors, such as economic conditions in the markets in which we operate. We cannot be certain that our future cash flow from operations will be sufficient to allow us to pay principal and interest on our debt and meet our other obligations. If cash flow from operations is insufficient, we may be required to refinance all or part of our existing debt, sell assets, and borrow more money or issue additional equity.

We have a limited amount of cash and are likely to require additional capital to continue our operations.

We have a limited amount of available cash and will likely require additional capital to successfully implement our business plan; There can be no assurance that we will be able to obtain additional funding when needed, or that such funding, if available, will be obtainable on terms acceptable to us. In the event that our operations do not generate sufficient cash flow, or we cannot obtain additional funds if and when needed, we may be forced to curtail or cease our activities, which would likely result in the loss to investors of all or a substantial portion of their investment.

Production Risks

All of the Company's current and proposed oil and gas activities would be subject to the risks normally incident to the exploration for, and development and production of, natural gas and crude oil. These include, but are not limited to, blowouts, cratering and fires, each of which could result in damage to life and property. In accordance with customary industry practices, the Company plans to maintain future insurance for its proposed operations against some, but not all, of the risks. Losses and liabilities arising from such events could reduce revenues and increase costs to the Company to the extent not covered by insurance.

Risks and Uncertainties Can Impact Our Growth

There are several risks and uncertainties, including those relating to the Company's ability to raise money and grow its business and potential difficulties in integrating new acquisitions for the oil and gas sector of operations, especially as they pertain to foreign markets and market conditions. These risks and uncertainties can materially affect the results predicted. Other risks include the Company's limited operating history, the limited financial resources, domestic or global economic conditions, activities of competitors and the presence of new or additional competition, and changes in federal or state laws and conditions of equity markets.

The Company's future operating results over both the short and long term will be subject to annual and quarterly fluctuations due to several factors, some of which are outside the control of the Company. These factors include but are not limited to fluctuating market demand for our services, and general economic conditions.

Governmental Regulation

Effect of Probable Governmental Regulation on the Business Domestically and in Foreign Countries

As we expand our efforts to develop our business, we will have to remain attentive to relevant federal and state regulations. We intend to comply fully with all laws and regulations, and the constraints of federal and state restrictions could impact the success of our efforts.

Our oil and gas business and services may become established in multiple states and foreign countries. These jurisdictions may claim that we are required to qualify to do business as a foreign corporation in each such state and foreign country. New legislation or the application of laws and regulations from jurisdictions in this area could have a detrimental effect upon our business. We cannot predict the impact, if any, that future regulatory changes or developments may have on our business, financial condition, or results of operation.

The Company and its current and future operations are subject to federal, state and local laws, and regulations and ordinances relating to the production and sale of oil and gas. Some of the laws that the Company is subject to include the Clean Air Act, the Clean Water Act, and the Endangered Species Act. Other laws and regulations include laws governing allowable rates of production, well spacing, air emissions, water discharges, marketing, pricing, taxes, and use restrictions and other laws relating to the petroleum industry. For example, coal bed methane wells are being highly regulated for disposing of produced fresh water on the surface. The EPA is requiring that the fresh water meet more stringent standards than before, and can require the water be injected underground making drilling these wells potentially uneconomical. As another example, Governmental regulation may delay drilling in areas that have endangered species. Therefore, if the Company were to undertake a drilling program in such an area by a proposed development project in the future, no assurance could be given that such delays would not become more expensive. Regulations may have a negative financial impact on us depending on the compliance costs.

Any failure to obtain, or delays in obtaining regulatory approvals by the Company or its operators, could delay or adversely affect the Company's ability to generate revenues. These laws and regulations could impose substantial liabilities for the Company if it fails to comply. Further, there can be no assurance that the Company through its contract operators will be able to obtain necessary regulatory approvals for any of its future activities including those which may be proposed for the further development of oil and gas. Although the Company does not anticipate problems satisfying any of the regulations involved, the Company cannot foresee the possibility of new regulations, which could adversely affect the business of the Company.

Environmental regulations and taxes imposed by state governments in a jurisdiction wherein oil and gas properties are located impose a burden on the cost of production. Of the gross production revenues, severance and ad valorem taxes for example in the State of Texas for oil and gas amount to approximately 7.5% and in Wyoming by comparison 12%.

Environmental requirements do have a substantial impact upon the energy industry. Generally, these requirements do not appear to affect the proposed Company operations any differently, or to any greater or lesser extent, than other companies in the domestic industry as a whole. The Company will establish policies and procedures for compliance with environmental laws and regulations affecting its proposed operations. The Company believes that compliance with environmental laws and regulations will not have a material adverse effect on the Company's operations or financial condition. There can be no assurances, however, that changes in or additions to laws or regulations regarding the protection of the environment will not have such an impact in the future.

At this time no regulatory or additional regulatory approvals are necessary and, to the best knowledge of the officers, we have complied with all laws, rules and regulations.

Cost And Effects Of Compliance With Environmental Laws

Our business will be subject to regulation under the state and federal laws regarding environmental protection and hazardous substances control with respect to its current and future oil and gas operations. We are unaware of any bills currently pending in Congress that could change the application of such laws so that they would affect us.

Risk Factors Affecting Our Future Results Of Operations For The Company

Due to the Company's limited operating history, it is difficult to predict future revenues accurately. This may result in one or more future quarters where the Company's financial results may fall below the expectation of management and investors. However firmly management may believe in its prospects, the Company could fail. Operating results may vary, depending upon a number of factors, many of which are outside the Company's control. Material factors expected to impact the Company's operating results include, legal costs associated with registration of options and other filing requirements, expansion activities, increased interest and expenses for borrowings and possible hiring of additional full time employees. Every investor should evaluate the risks, uncertainties, expenses and difficulties frequently encountered by companies in the early stage of development. The past performance of the Company cannot be used to predict the future performance.

Lack Of Experience

Certain of our management may only devote a small percentage of their time to Company business. This lack of specific training, and experience for integration of the oil and gas sector coupled with working in the regulatory environment and less than full time effort in certain cases will probably cause management to miss opportunities that more experienced managers would recognize and take advantage of. Management's decisions and choices may not be well thought out and operations and earnings and ultimate financial success may suffer irreparable harm. Additionally, these individuals have not previously worked together. If senior executives and managers are unable to work effectively as a team, business operations could be considerably disrupted.

Oil And Gas Prices Fluctuate Widely, And Low Prices For An Extended Period Of Time Are Likely To Have A Material Adverse Impact On Our Business

Our revenues, operating results, financial condition and ability to borrow funds or obtain additional capital depend substantially on prevailing prices for natural gas and, to a lesser extent, oil. Declines in oil and natural gas prices may materially adversely affect our financial condition, liquidity, ability to obtain financing and operating results. Lower oil and gas prices also may reduce the amount of oil and gas that we can produce economically. Historically, oil and gas prices and markets have been volatile, with prices fluctuating widely, and they are likely to continue to be volatile.

Prices for oil and natural gas are subject to wide fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of additional factors that are beyond our control. These factors include:

- The domestic and foreign supply of oil and natural gas.
- The level of consumer product demand.
- Weather conditions.
- Political conditions in oil producing regions, including the Middle East.
- The ability of the members of the Organization of Petroleum Exporting Countries to agree to and maintain oil price and production controls.
- The price of foreign imports.
- Actions of governmental authorities.
- Domestic and foreign governmental regulations.
- The price, availability and acceptance of alternative fuels.
- Overall economic conditions.

These factors make it impossible to predict with any certainty the future prices of oil and gas.

Drilling natural gas and oil wells is a high-risk activity.

- the results of exploration efforts and the acquisition, review and analysis of the seismic data
- the availability of sufficient capital resources to us and the other participants for the drilling of the prospects
- the approval of the prospects by other participants after additional data has been compiled
- economic and industry conditions at the time of drilling, including prevailing and anticipated prices for natural gas and oil and the availability of drilling rigs and crews
- our financial resources and results; and
- the availability of leases and permits on reasonable terms for the prospects.

These projects may not be successfully developed and the wells, if drilled, may not encounter reservoirs of commercially productive natural gas or oil.

Reserve estimates depend on many assumptions that may prove to be inaccurate. Any material inaccuracies in our reserve estimates or underlying assumptions could cause the quantities and net present value of our reserves to be overstated.

Reserve engineering is a subjective process of estimating underground accumulations of natural gas and crude oil that cannot be measured in an exact manner. The process of estimating quantities of proved reserves is complex and inherently uncertain, and the reserve data included in this document are only estimates. The process relies on interpretations of available geologic, geophysics, engineering and production data. As a result, estimates of different engineers may vary. In addition, the extent, quality and reliability of this technical data can vary. The differences in the reserve estimation process are substantially due to the geological conditions in which the wells are drilled. The process also requires certain economic assumptions, some of which are mandated by the Securities and Exchange Commission, such as natural gas and oil prices. Additional assumptions include drilling and operating expenses, capital expenditures, taxes and availability of funds. The accuracy of a reserve estimate is a function of:

- the quality and quantity of available data;
- the interpretation of that data;
- the accuracy of various mandated economic assumptions; and
- the judgment of the persons preparing the estimate.

Results of drilling, testing and production subsequent to the date of an estimate may justify revising the original estimate. Accordingly, initial reserve estimates often vary from the quantities of natural gas and crude oil that are ultimately recovered, and such variances may be material. Any significant variance could reduce the estimated quantities and present value of our reserves.

Our future performance depends on our ability to find or acquire additional natural gas and oil reserves that are economically recoverable.

In general, the production rate of natural gas and oil properties declines as reserves are depleted, with the rate of decline depending on reservoir characteristics. Unless we successfully replace the reserves that we produce, our reserves will decline, eventually resulting in a decrease in natural gas and oil production and lower revenues and cash flow from operations. Our future natural gas and oil production is, therefore, highly dependent on our level of success in finding or acquiring additional reserves. We may not be able to replace reserves through our exploration, development and exploitation activities or by acquiring properties at acceptable costs. Low natural gas and oil prices may further limit the kinds of reserves that we can develop economically. Lower prices also decrease our cash flow and may cause us to decrease capital expenditures.

Exploration, development and exploitation activities involve numerous risks that may result in dry holes, the failure to produce natural gas and oil in commercial quantities and the inability to produce discovered reserves fully. We are continually identifying and evaluating opportunities to acquire natural gas and oil properties. We may not be able to consummate any acquisition successfully, to acquire producing natural gas and oil properties that contain economically recoverable reserves, or to integrate the properties into our operations profitably.

Seasonality

Demand for natural gas has historically been seasonal, with peak demand and typically higher prices occurring during the colder winter months.

Our growth is materially dependent upon the success of our drilling program. Drilling for natural gas and oil involves numerous risks, including the risk that no commercially productive natural gas or oil reservoirs will be encountered. The cost of drilling, completing and operating wells is substantial and uncertain, and drilling operations may be curtailed, delayed or cancelled as a result of a variety of factors beyond our control, including:

- unexpected drilling conditions, pressure or irregularities in formations;
- equipment failures or accidents;
- adverse weather conditions;
- compliance with governmental requirements; and
- shortages or delays in the availability of drilling rigs or crews and the delivery of equipment.

Our future drilling activities may not be successful and, if unsuccessful, such failure will have an adverse affect on our future results of operations and financial condition. Our overall drilling success rate or our drilling success rate for activity within a particular geographic area may decline. We may ultimately not be able to lease or drill identified or budgeted prospects within our expected time frame, or at all. We may not be able to lease or drill a particular prospect because, in some cases, we identify a prospect or drilling location before seeking an option or lease rights in the prospect or location. Similarly, our drilling schedule may vary from our capital budget. The final determination with respect to the drilling of any scheduled or budgeted wells will be dependent on a number of factors, including:

Regulation of Oil and Natural Gas Exploration and Production

Exploration and production operations are subject to various types of regulation at the federal, state and local levels. This regulation includes requiring permits to drill wells, maintaining bonding requirements to drill or operate wells, and regulating the location of wells, the method of drilling and casing wells, the surface use and restoration of properties on which wells are drilled, and the plugging and abandoning of wells. Our operations are also subject to various conservation laws and regulations. These include the regulation of the size of drilling and spacing units or proration units, the density of wells that may be drilled in a given field and the unitization or pooling of oil and natural gas properties. Some states allow the forced pooling or integration of tracts to facilitate exploration while other states rely on voluntary pooling of lands and leases. In addition, state conservation laws establish maximum rates of production from oil and natural gas wells, generally prohibiting the venting or flaring of natural gas and impose certain requirements regarding the ratatability of production. The effect of these regulations is to limit the amounts of oil and natural gas we can produce from our wells, and to limit the number of wells or the locations where we can drill. Because these statutes, rules and regulations undergo constant review and often are amended, expanded and reinterpreted, we are unable to predict the future cost or impact of regulatory compliance. The regulatory burden on the oil and gas industry increases the cost of doing business and, consequently, affects profitability. We do not believe, however, that we are affected differently by these regulations than others in the industry.

We have limited control over the activities on properties we do not operate.

Other companies operate some of the properties in which we have an interest. We have limited ability to influence or control the operation or future development of these non-operated properties or the amount of capital expenditures that we are required to fund with respect to them. The failure of an operator of our wells to perform operations adequately, an operator's breach of the applicable agreements or an operator's failure to act in ways that are in our best interest could reduce our production and revenues. Our dependence on the operator and other working interest owners for these projects and our limited ability to influence or control the operation and future development of these properties could materially adversely affect the realization of our targeted returns on capital in drilling or acquisition activities and lead to unexpected future costs.

Requirement For Additional Capital

The Company believes that additional debt or equity financing will be necessary to develop its planned activities through the next twelve to twenty four months. However, no assurance can be given that all or a significant portion of any debt or equity financing will be consummated, or that any changes in the Company's operations and expansion plans would not consume available resources more rapidly than anticipated. The Company will need substantial funding to support the long-term expansion, development, and marketing of its business and subsidiary operations.

To the extent that the Company's capital resources, including the proceeds of any offering, are insufficient to meet current or planned requirements, the Company will continue to seek additional funds through equity or debt financing, collaborative, or other arrangements with corporate partners, and from other sources, which may have the effect of diluting the holdings of existing shareholders. The Company has no effective or approved current arrangement with respect to such additional financing that is either secured or finalized at this time. Even though the Company has existing prospects for general or project financing, the outcome may change, be delayed, or may not be conclusive, therefore financing is not assured or guaranteed. Financing to be potentially obtained from prospects is not assured or guaranteed until actually consummated and financing actually provided.

Need For Expansion

The Company expects expansion will be required to address potential growth. This need for expansion will continue to place a significant strain on the management and financial resources of the Company. Failure to manage growth could disrupt the operations and ultimately prevent the Company from generating expected revenues. The Company's business strategy includes entering into business partnerships and may include acquiring future businesses, such as, existing production or products, technology and acquisitions related to oil and gas or other resources, oil and gas field operations, and engineering. Other areas of future operations may include real estate, land and commercial development, technology and facilities, and fuel cell technology. The Company may be unable to complete suitable business partnerships and acquisitions on commercially reasonable terms, if at all. Competition could impair the Company's ability to pursue these aspects successfully of this business strategy.

Business partnerships or acquisitions could disrupt ongoing business, distract management and employees and increase expenses. If the Company makes an acquisition, it could face difficulties assimilating that company's personnel and operations. Key personnel of the acquired company may decide not to work for the Company. Acquisition of additional services or technologies also involves risk of incompatibility and lack of integration into existing operations. If the Company finances the acquisitions by issuing equity securities, this could dilute existing stockholders positions. Additionally, funding instruments may have rights, preferences or privileges senior to, or more favorably than, those of the Company's stockholders.

Limited Financial Data

As a result of its limited operating history, the Company has limited historical financial data upon which to forecast revenues and results of operation. The actual effect of these factors on the price of stock will be difficult to assess. Results of operation may fall well below the expectations of securities analysts and investors, and the trading price of the Company's common stock may drop.

Estimating Inaccuracies

There are numerous uncertainties inherent in estimating quantities of proven reserves and in projecting future rates of production and timing of development expenditures, including many factors beyond the control of the Company. Reserve engineering is a subjective process of estimating underground accumulations of crude oil, condensate and natural gas liquids that cannot be measured in an exact manner. The accuracy of any reserve estimate is a function of the amount and quality of data and of engineering and geological interpretation. Estimates by different engineers may vary. Results of drilling, testing and production after the date of an estimate may justify revision of such estimates. Reserve estimates are often different from the quantities ultimately recovered including the continual possibility of failure to find oil or gas and the drilling of a dry hole, and concentrations of oil in unexpected differing amounts on certain holes or targets drilled.

Declining Reserves

Volumes of proposed oil and gas reserves acquired by the Company will decline as reserves are depleted. Reserve volumes generated from future activities of the Company are highly dependent upon the level of success in acquiring or finding additional reserves.

Key Officers Management Services Were Provided By Outside Consulting Firms, And Individuals Contributing Additional Key Officers Management Services, During Fiscal Year Ended December 31, 2013 and continuing into 2014.

Key management services were provided by outside consulting firms owned by key Officers and/or current Directors, or through other outside arrangements. Such Officers and Directors include Dennis R. Alexander, Chairman, CEO, President, and Director, and Joanne M. Sylvanus, a Director, Chief Financial Officer, Treasurer, and Secretary. Accordingly, the loss of the services of any key individual or other person or individual filling a key role from time to time could have an effect on the development of the Company's business. The Company may hire future employees and additional employees not provided through outside consulting firms, and depend on their services, the loss of which may affect the development of the Company's business and could adversely affect the conduct of our business. The Company has not applied for key-man life insurance and the Company has not obtained insurance covering the possibility that any of its key officers and management personnel might become disabled or otherwise unable to render services to the Company. The success of the Company is also dependent upon its ability to attract, contract with and retain highly qualified technical, managerial and marketing personnel. The Company faces competition for such personnel from other companies, many of which have significantly greater resources than the Company. There can be no assurance that the Company will be able to recruit and retain such personnel.

Officers And Directors Beneficially Own, Vote, Or Represent Up To Approximately 66.55% Of the Company's Issued and Outstanding Common Stock

The executive officers and directors of the Company currently beneficially own, vote, or represent approximately 66.55% of our outstanding common stock and hold additional shares of our Series C Preferred Stock with Super Voting characteristics as each share held carries 31,500 votes per share. As a result these stockholders may, as a practical matter, be able to influence all matters requiring stockholder approval including the election of directors, merger or consolidation and the sale of all or substantially all of our assets. This concentration of ownership may delay, deter or prevent acts that would result in a change of control, which in turn could reduce the market price of our common stock.

Penny Stock As A Risk

Definition And Rule Reference: The Securities and Exchange Commission has adopted Rule 3a51-1 of General Rules and Regulations, Promulgated under the Securities and Exchange Act of 1934, which established the definition of a "penny stock", for the purposes relevant to the Company, as any equity security that has a market price of less than \$5.00 per share, or with an exercise price of less than \$5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require: (i) that broker or dealer approve a person's account for transactions in penny stocks; and, (ii) the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased.

Future sales of our Shares of Common Stocks in the public market could lower our share price.

We may sell additional Shares of Common Stock in subsequent offerings. We may also issue additional Shares of Common Stock to finance future acquisitions, including acquisitions larger than those we have done in the past. We cannot predict the size of future issuances of our Shares of Common Stock or the effect, if any, that future issuances and sales of our Shares of Common Stock will have on the market price of our Shares of Common Stock. Sales of substantial amounts of Shares of Common Stock, or the perception that such sales could occur, may adversely affect prevailing market prices for our Shares of Common Stock.

Obligations And Contingencies

The Company is liable for future restoration and abandonment costs associated with oil and gas properties owned or newly acquired by the Company. These costs include future site restoration and plugging costs of wells. The cost of future abandonment of producing wells has not been determined the date of this report. Management believes that these costs will not have a material adverse effect upon its financial position or results of operations.

Other

The Company's operations during fiscal year ended 2013 did not retain any employees. Individual consulting firms owned by two key officers/directors managed the day-to-day operations of our Company. We have accounting consultants, legal consultants, oil and gas technical team consultants and engineers available for project purposes on a part time basis; one advisor assists us with project evaluations and business development, information and research, technical writing and presentation. The Company will consider full time employees upon sufficient capitalization and cash flow which may include accounting systems and data processing coordinator, oil and gas staff analyst and coordinator, financing officer; assistant to executive officers, and other. Future performance will be substantially dependent on the continued services of management and the ability to retain and motivate them. The loss of the services of any officers or senior managers could affect activities of our business and its operations until additional personnel can be retained and trained to perform some of the management tasks. At the present time the Company does not have long-term employment agreements with any key personnel and does not maintain any life insurance policies.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. DESCRIPTION OF PROPERTY

The Company may participate in the drilling of a well or wells if it is able to successfully acquire attractive oil and gas leases with substantially proven undeveloped reserves, a preferred majority or suitable working interest being available, and can obtain or provide financing or market an interest on terms acceptable to the Company.

Oil and Gas Properties, Leases, and Interests

I. Acquisition of 37.5% Oil and Gas Working Interests in the J.B. Tubb Leasehold Estate/Amoco Cawar Field, Ward County, Texas
(Note: *As of December 31, 2013 our interests in the J.B. Tubb Leasehold Estate have changed/increased effective for January 1, 2014 forward. Please refer to the Section on the “The Business”, various sub headings thereto, and information contained in “Recent Developments” for updates).

On July 31, 2012, the Company as the assignee of CUBO Energy PLC entered into and completed the closing of an Assignment and Bill of Sale and Stock Purchase Agreement (“SPA”) with EGPI Firecreek Inc. through its wholly owned subsidiary Energy Producers, Inc. (“EGPI”). The interests acquired from EGPI were oil and gas interests in the J.B. Tubb Leasehold Estate located outside of Odessa Texas in Ward and Jones County. The Agreement included our entering into a Participation Agreement (Turnkey Drilling, Re Entry, and Multiple Wells) granting certain rights in and to interests for additional development on the J.B. Tubb Leasehold Estate. The Company presently owns 37.5% working interest (“WI”), 28.125% net revenue interest (“NRI”) in the oil and gas interests, and pro rata oil & gas revenue and reserves for all depths below the surface to at least 8500 ft. including all related assets, fixtures, equipment, three well heads and three well bores. The field is located in the Permian Basin and the Cawar Field, directly adjacent to property operated by Chevron Corporation in Ward County, Texas (12 miles southeast of Monahans and 30 miles west of Odessa in West Texas).

For additional information please see the Section in “The Business” under the sub heading “2013 Work Program Costs Associated With Our Acquired Oil and Gas Interests in the Texas, J.B. Tubb Leasehold Estate.”

The acquired leases and the property to which they relate are identified below:

North 40 acres: J.B. TUBB “18-1”, being the W1/2 of the NW1/4 of Section 18, Block B-20, Public School Lands, Ward County, Texas, containing Forty (North 40) acres only (also listed as Exhibit “A” to Exhibit 10.1 in our Current Report on Form 8-K filed on March 7, 2011, incorporated herein by reference.

Well-bore located on South 40 acres: The Highland Production Company (Cawar) #2 well-bore, API No. 42-475-33611, located on the J.B. Tubb Lease in W ½ of the NW ¼ of Sec. 18, Block B-20, Public School Lands, Ward County, Texas at 1787 FNL and 853 FWL being on the South Forty (40) acres of the J. B. Tubb Lease, Ward County, Texas.

The following wells are located on the leases identified, above:

Well No.	API No.
Tubb Well #18-1	API 42-475-34136-0000
Cawar Well No.#1	API 42-475-33523
*Cawar Well No.#2	API 42-475-33611

*Highland Production Company(Cawar) #2 well-bore only, with depth of ownership 4700’ to 4900’ft. in well bore, and 3800’ to 4,000’ in well bore, described as: The Highland Production Company (Cawar) #2 well-bore, located on the J.B. Tubb Lease in W ½ of the NW ¼ of Sec. 18, Block B-20, Public School Lands, Ward County, Texas at 1787 FNL and 853 FWL being on the South Forty (40) acres of the J. B. Tubb Lease, Ward County, Texas.

A mineral interest is the ownership of rights to gas, oil, or other minerals as they naturally occur in place, at or below the surface of a tract of land. Ownership of the minerals carries with it the right to make such reasonable use of the surface as may be necessary to explore for and produce the minerals. Only the mineral owner (or fee owner) may execute an oil or gas lease conveying his interest in a tract of land. Severance: The owner of all rights to a tract of land (vertically or horizontally). In horizontal severance, for example, if he chooses to sell all or part of the mineral rights, two distinct estates are created: the surface rights to the tract of land and the mineral rights to the same tract. The two estates may change hands independently of each other. Severed minerals rights may be restricted as to mineral type, or limited by depth, (in which case the landowner retains the rights to minerals other than those severed, and to depth intervals other than those severed.)

The Company attempts to maintain all of its operating wells in good working condition. Success Oil Co., Inc. (Success) a Texas corporation, and licensed operator, is familiar with the oil and gas business in the area. Success will operate the Company's interests in the properties overseeing production and maintenance activities for its oil wells, equipment and other development activities for the leases.

The Material terms of the Operating Agreement with the Company include:

Success is an independent contractor and operates the subject properties on a contract basis pursuant to the AAPL form operating agreement according to our share of Working Interests (37.5%) with a \$225 for our share per producing well per month overhead fee and \$250.00 pumper fee per our share per well (presently for 3 wells) respectively plus electricity, chemical treatment, and other intangible repair items. All other charges whether by Success, an affiliate of Success or third parties will be the responsibility of the working interest owners of the properties. Success will furnish the monthly Lease Operation Expense and various activity reports to the Company's wholly owned subsidiary Energy Producers, Inc. Upon production being sold, run checks (payments) expected from future sales of oil and gas are to be sent to the operator from the purchasers for oil and gas produced. Sunoco is initially designated as the gatherer for the oil and Targa Midstream for the natural gas. Success is to administrate monthly activities, and after payment of management, consulting, and lease-operating expenses (LOE's), it collects and compiles the Joint Interest Billing (JIB) Statements and prepares certain reports and financial statements related to production income and expenses for monthly delivery to Company's accounting for compilation along with its share of the payment to be received according to its interests.

Listing for the Equipment items related to the wells on the leases on the J.B. Tubb Leasehold Estate (RRC #33611) Amoco/ Cwawar field are as follows:

The following is the current & present equipment list that Energy Producers Inc. will acquire 75% ownership rights, on the J.B. Tubb property: 2 (Two) 500 barrels metal tanks, 1(One) 500 barrel cement salt water tank- (open top), 1 (One) heater treater/oil & gas separator, all flow lines, on the north forty acres, well-heads, 2 (two) Christmas tree valve systems on well-heads, 3 (Three) well heads, three wells (well-bores). Model 320D Pumpjack Serial No. E98371M/456604, One (1) Fiberglass lined heater-treater, One (1) Test pot, Tubing string Rods and down hole pump.

Allocation of Purchase Price for J.B. Tubb Leasehold Estate Working and Corresponding Net Revenue Interests, Amoco/Cwawar Field, Ward County, Texas.

	December 31, 2013
Well leases	\$ 1,066,895
Well property and equipment	83,105
	<u>\$ 1,150,000</u>

Reserves- Oil and Gas Properties, Leases, and Interests Located in Ward, and Jones Counties Texas.

Harper & Associates, Inc. completed the subject petroleum reserve report on March 18, 2014, in preparation for the US Form 10-K for Fiscal Year Ended December 31, 2013, to be filed by the Company. The evaluated properties are located in Ward and Jones County, Texas. Net oil and gas reserves herein represent a 100 percent portion of the Company's total reserves. The reserve estimations comply with the definitions of the U.S. Security Exchange Commission. Reserves are classified proved developed producing ("PDP"), behind-pipe ("PBP") and undeveloped ("PUD"). Proved reserves are those reported where the level of certainty is at least 90 percent probable that the quantities actually recovered will equal or exceed the estimates. Proved quantities were determined using all geologic and engineering methods and procedures as considered necessary under the circumstances to prepare the report.

A summary of our conclusion with respect to the Company's net reserves and cumulative future cash flow (before U.S. federal income tax), undiscounted and discounted at 10% percent per year is as follows:

RESERVE SUMMARY

	<u>PDP</u>	<u>PBP</u>	<u>PUD</u>	<u>TOTAL, PI</u>
Well Completions	3	1	6	10
Net Oil, Bbls.	4,246	2,814	108,482	115,542
Net Gas, MCF	7,598	8,999	726,898	743,495
Revenue *(\$)				
Oil	365,980	242,437	9,351,821	9,960,238
Gas	24,518	29,036	2,345,762	2,399,316
Total	390,498	271,473	11,697,583	12,359,554
Operating Expense (\$)	288,173	150,836	1,684,035	2,123,044
Investments (\$)	0	44,062	3,097,500	3,141,562
Future Cum Net Income (\$)	102,325	76,575	6,916,048	7,094,948
Future Cum Net Income @ 10% DF (\$)	85,934	51,780	2,860,671	2,998,375

Reserves and economic results for each reserve class are attached, along with a one-line summary. Individual well reserves are presented herein.

*Revenue is net of severance and ad valorem taxes.

ECONOMIC DISCLOSURES

All assumptions, lease descriptions and holdings, ownership, historical prices, operating lease cost, well planned investments and past production were appropriately presented by the Company. Interests were accepted as represented.

Price Parameters. Mondial's 12-month average oil price is \$92.25 and benchmark price is \$97.98 per barrel of oil. Mondial's 12-month average gas price is \$3.56 and benchmark price is \$3.68 per MCF of gas. Oil and gas revenue for a lease is based on the average of the monthly 2013 prices. Prices are not escalated. BTU content, fuel and shrinkage for gas production and the quality of oil production are considered.

Cost Parameters. Well operating expenses are based on the knowledge and experience of our staff in the oil and gas operations of the subject counties. Expenses are recurring monthly values including G&A. Operating expenses and investments are not escalated. Production severance and ad valorem taxes are deducted from revenue.

Discount Factors. Discount factors are calculated at mid-year, compounded annually, and applied to yearly lump sum revenues, expenses and investments.

RESERVE DISCLOSURES

Reserve Estimation Uncertainties. The determination of the reserves is based on a petroleum engineering evaluation, supported by an independent geologic interpretation that involved direct and indirect characterization and estimates of reservoir properties. These properties are derived from data available at the time of preparation. One should not construe that the reserve quantities are exact. As additional data becomes available or well operating conditions change, the likely oil, condensate or gas recovery of a reservoir may change, and consequently reserve quantities change.

Regulation Effects. Reserves are based on the monthly quantities that can be produced above a lease economic limit, i.e. the "costs" attributed to a lease in the operation of the downhole and surface equipment. Regulations of government agencies that increase those "costs" will cause a reserve reduction. Possible changes to the current government regulations are not considered in the economic limits herein.

Reserve Evaluation Usage. Reserve estimates compile with the definitions of the U. S. Security Exchange Commission ("SEC"). The reserves and dollars reported herein are not determined for the following purposes: 1) litigation, 2) loan basis, and 3) market value estimate.

There are numerous uncertainties inherent in estimating quantities of proved reserves. The reserves and reservoir predictions are estimates only. There are numerous uncertainties in the estimation of interpretation parameters, including factors such as product prices, product demand, subsurface heterogeneities, and other variables, that are beyond the control of the authors of the report as well as the owners of the subject properties. The estimates in the appraisal are based on various assumptions relating to rates of future production, timing and amount of development expenditures, oil and gas prices, and the results of planned development work. Actual future production rates and volumes, revenues, taxes, operating expenses, development expenditures, and quantities of recoverable oil and gas reserves may vary substantially from those assumed in the estimates. Any significant change in these assumptions, including changes that result from variances between projected and actual results, could materially and adversely affect future reserve estimates. In addition, such reserves may be subject to downward or upward revision based upon production history, results of future development, prevailing oil prices, and other factors.

Reservoir engineering and geological interpretation are a subjective process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact manner. The accuracy of any reserve estimate, performance prediction, or geological analysis is a function of the quality of the available data and of engineering and geological interpretation and judgment. In addition, the impacts of various drilling, completion, and production practices on productivity can be estimated but not fully defined or quantified. As a result, estimates and analyses by different engineers and geoscientists may vary.

Proved Undeveloped Reserves

At December 31, 2013 we had 108,482 Bbls of proved undeveloped (PUD) oil reserves and 726,898 MCF of proved undeveloped natural gas reserves associated with future development costs of \$3,097,500, which represents no change during December 31, 2013. As of December 31, 2013, all proved undeveloped reserves are initially expected to be developed within ten years of initial disclosure of these reserves, subject to reevaluation by the Company at the period ending December 31, 2015 for development within five years (please see additional information on page F-21 herein).

The following table is a reconciliation of the change in our PUD reserves (Oil in Bbls and Gas in MCF):

	<u>Year Ended</u> <u>December 31,</u> <u>2014</u>
<u>Oil (Bbls)</u>	
<u>Balance at beginning of period</u>	<u>108,482</u>
<u>Transfers to proved developed</u>	<u>-</u>
<u>Additions</u>	<u>-</u>
<u>Revision of prior estimates</u>	<u>-</u>
<u>Purchases of reserves in place</u>	<u>-</u>
<u>Balance at end of period</u>	<u>108,482</u>
	<u>Year Ended</u> <u>December 31,</u> <u>2014</u>
<u>Natural Gas (MCF)</u>	
<u>Balance at beginning of period</u>	<u>726,898</u>
<u>Transfers to proved developed</u>	<u>-</u>
<u>Additions</u>	<u>-</u>
<u>Revision of prior estimates</u>	<u>-</u>
<u>Purchases of reserves in place</u>	<u>-</u>
<u>Balance at end of period</u>	<u>726,898</u>

There were no changes in PUD reserves that occurring during the year.

Wells And Acreage

In the oil and gas industry and as used herein, the word "gross" well or acre is a well or acre in which a working interest is owned; the number of gross wells is the total number of wells in which a working interest is owned. A "net" well or acre is deemed to exist when the sum of fractional ownership working interests in gross wells or acres equals one. The number of net wells or acres is the sum of the fractional working interests owned in gross wells or acres.

Set forth below is information respecting the developed and undeveloped acreage owned by the Company in Ward, and Jones Counties, Texas, as of December 31, 2013.

	Developed Acreage		Undeveloped Acreage	
	Gross	Net	Gross	Net
Ward and Jones Counties	40	11.25	40	11.25
Total	40	11.25	40	11.25

Production And Sale Of Oil And Natural Gas

The following table summarizes certain information relating to the Company's net oil and natural gas produced and from the Company's property interests held in Ward and Jones Counties Texas, after royalties, during the periods indicated.

	Year Ended December 31,	
	2013	*2012
Average net daily production of oil (Bbl)	3.69	6.69
Average net daily production of gas (Mcf)	10.55	18.17
Average sales price of oil (\$ per Bbl)	\$ 92.25	\$ 88.45
Average sales price of gas (\$ per Mcf)	\$ 3.56	\$ 3.15
Average lifting cost per bbl oil equiv.	\$ 63.69	\$ 70.09

*Calculations for 2012 Average net daily production of oil and gas (Mcf) was based on partial year activity averages for the Tubb leasehold estate beginning August 1, 2012, the date of acquisition, and ending 12/31/2012, and thereafter from January 1, 2013 through the period ended December 31, 2013.

DRILLING ACTIVITY

The Company acquired its first oil and gas interests as of July 31, 2012. During this time forward to December 31, 2013, with the exception of one recompletion (rework) (see Note 1. Below) we have not yet drilled wells or participated in the drilling of wells as indicated in the table below.

	Year Ended December 31,					
	2014		2013		2012	
	Gross	Net	Gross	Net	Gross	Net
Development Wells	-	-	-	-	-	-
Productive	=	=	=	=	=	=
Dry	=	=	=	=	=	=
Extension Wells	-	-	-	-	-	-
Productive	=	=	=	=	=	=
Dry	=	=	=	=	=	=
Exploratory Wells	-	-	-	-	-	-
Productive	=	=	=	=	=	=
Dry	=	=	=	=	=	=
Total	=	=	=	=	=	=

At December 31, 2013, there were no gross wells were in the process of being drilled.

Note 1. During 2012 the Company via its operator Success Oil, Inc. performed a recompletion (rework) perforating the Glorieta payzone (in the South 40 acres of the J. B. Tubb Leasehold Estate) located in Ward County Texas, at intervals ranging from 3,800 feet to 4,000 feet, and additionally acidizing and swabbing on the J.B. Tubb Leasehold Estate Crawar #2 well. The Company presently owns 37.5% working interest ("WI"), 28.125% net revenue interest ("NRI") in the Crawar #2 well.

Our Corporate offices are located in Scottsdale, Arizona. Please see also "Certain Relationships and Related Transactions" for further discussion.

The Chief Executive Officer of the Company provided corporate office space through December 31, 2012 at no charge. There is a lease agreement in place for lease of the space beginning January 1, 2013 on a one year, renewable annually contract. The furnished lease with additional storage space is \$2,000 and is to be paid monthly. Also see "Certain Relationships and Related Transactions".

Exploration and Production

The Company, in addition to its present plans contemplated for the J.B. Tubb Leasehold Estate successfully acquire attractive oil and gas

leases with substantially proven undeveloped reserves, a preferred majority, or suitable working interest being available, and can obtain or provide financing or market an interest on terms acceptable to the Company.

As discussed in the section on the Business, the Company is in preparation to contract for a 3-D Seismic contract covering the Boyette property in Shackelford County, Texas. The seismic study will focus on specific Barnett Shale formation characteristics that will assist in the drilling of one and possibly two Barnett horizontal wells or an equivalent of up to eight vertical wells on the Boyette lease at a proposed initial depth of approximately 5,200' to 5,500' feet. We are targeting the oil segment or phase of the Barnett Shale and have justified the seismic study. The onsite seismic work is expected to commence as soon as practicable.

Corporate Offices

Our Corporate offices are located in Scottsdale, Arizona. Please see also "Certain Relationships and Related Transactions" for further discussion.

"The Chief Executive Officer of the Company provided corporate office space through December 31, 2012 at no charge. There is a lease agreement in place for lease of the space beginning January 1, 2013 on a one year, renewable annually contract. The furnished lease with additional storage space is \$2,000 and is to be paid monthly. Also see "Certain Relationships and Related Transactions".

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Please see also "Certain Relationships and Related Transactions" for further discussion.

ITEM 3. LEGAL PROCEEDINGS

As of the date hereof, there are no material legal proceedings threatened against us. In the ordinary course of our business we may become subject to litigation regarding our products or our compliance with applicable laws, rules, and regulations.

ITEM 4.

Removed and reserved.

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PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

MARKET PRICE AND DIVIDENDS OF COMPANY

Our common stock is quoted on the Pink OTC Markets, under the trading symbol “MNVN.” Our common stock is thinly-traded on the Pink OTC Markets, meaning that the number of persons interested in purchasing our common stock at or near ask prices at any given time may be relatively small or non-existent. There can be no assurance that a broader or more active public trading market for our common stock will develop or be sustained, or that current trading levels will be sustained. If such a market is developed, we cannot assure you what the market price of our common stock will be in the future. You are encouraged to obtain current market quotations for our common stock and to review carefully the other information contained in this Report or incorporated by reference into this Report.

The high and low sales prices for each full quarterly period for the last three complete fiscal years, as reported by the OTC Bulletin Board National Quotation Bureau are set forth below. Such quotations represent prices between dealers, do not include retail markup, markdown or commission, and do not represent actual transactions.

**2014	High	Low
First Quarter (January 31 through March 31, 2014)	\$ 0.51	\$ 0.05
**Year Ended December 31, 2013	High	Low
First Quarter	\$ 522.39	\$ 268.66
Second Quarter	431.34	37.31
Third Quarter	44.78	1.49
Fourth Quarter	2.54	0.15
**Year Ended December 31, 2012	High	Low
First Quarter	\$ 373.13	373.13
Second Quarter	373.13	373.13
Third Quarter	597.01	74.63
Fourth Quarter	514.93	208.96

(**Prices listed are post 1:1500 reverse stock split effective on January 31, 2014)

As of April 9, 2014, the Company had issued and outstanding 13,201,872 shares of its common stock held by approximately 64 holders of record, and 100,000 shares of Series C voting only preferred stock outstanding.

We have never declared dividends or paid cash dividends on our common stock and our board of directors does not intend to distribute dividends in the near future. The declaration, payment and amount of any future dividends will be made at the discretion of the board of directors, and will depend upon, among other things, the results of our operations, cash flows and financial condition, operating and capital requirements, and other factors as the board of directors considers relevant. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividend.

Securities Authorized for Issuance Under Equity Compensation Plans.

The following information is provided for the period ended December 31, 2013, with respect to compensation plans (including individual compensation arrangements) under which equity securities of the issuer are authorized for issuance, aggregated as follows:

- (i) All compensation plans previously approved by security holders; and
- (ii) All compensation plans not previously approved by security holders.

Equity Compensation Plan Information

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)(1.a.)	Weighted average exercise price of outstanding options, warrants and rights (see footnotes) (b)(*)(1.a)	Number of securities remaining available for future issuance (c)(1.a)
(i) Equity compensation plans approved by security holders (Form S-8)			
n/a			
Equity compensation plans approved by security holders			
n/a			

RECENT SALES OF UNREGISTERED SECURITIES

During the last three years, the registrant has issued unregistered securities to the persons, as described below. None of these transactions involved any underwriters, underwriting discounts or commissions, except as specified below, or any public offering, and the registrant believes that each transaction was exempt from the registration requirements of the Securities Act of 1933 by virtue of Section 4(2) thereof and/or Regulation D promulgated thereunder. All recipients had adequate access, though their relationships with the registrant, to information about the registrant.

Required information has been furnished in current Report(s) on Form 8-K filings and other reports, as amended, during the period covered by this Report and additionally as listed and following:

Please see information contained in our Current Reports on Form 8-K filed on August 9, 2012, January 15, 2014, and April 3, 2014, incorporated herein by reference. Please note all amounts reflected in this section are shown and reflected on a post 1:1500 reverse stock split which became effective on January 31, 2014.

I. (*)(**) On March 1, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name	Date	Share Amount(***)	Type of Consideration	Fair Market Value of Consideration
Steven Antebi (1) 10550 Fontenelle Way, Los Angeles, California, 90077	3/1/14	1,600,000	Consultant/Advisory	\$ 100,000

- (1) Steven Antebi provides other Business Consulting and advisory services, and is not currently a director, or officer of the Registrant.

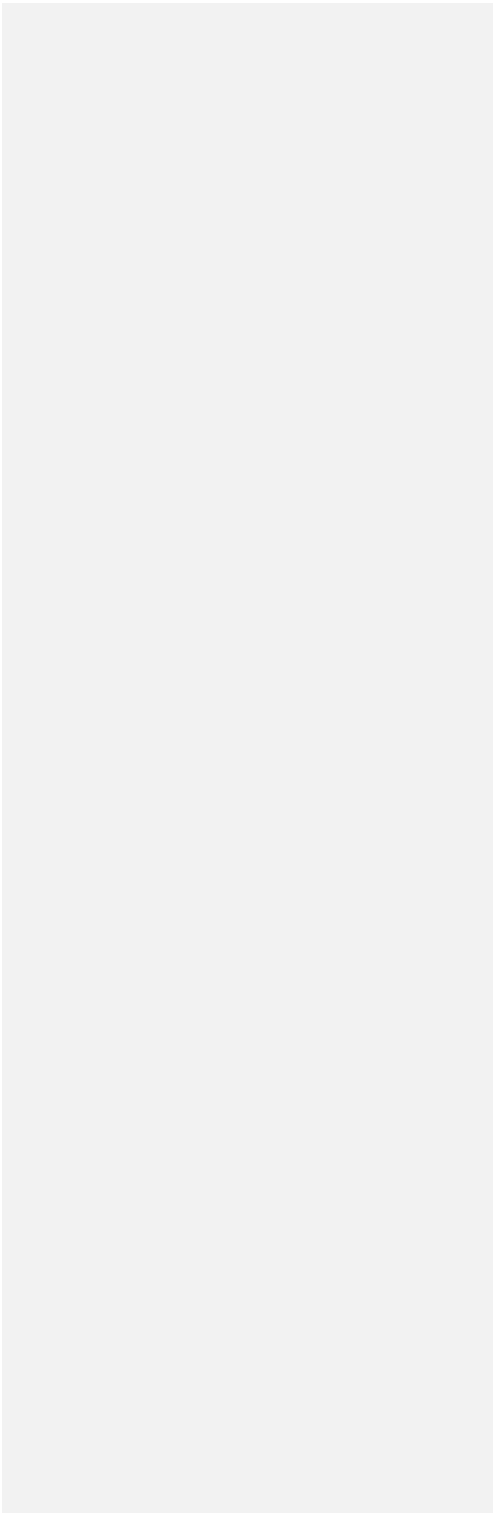
(*) Issuances are approved, subject to such persons agreeing in writing to i) comply with applicable securities laws and regulations and make required disclosures; and ii) be solely and entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable.

(**) \$100,000 worth of common stock in the immediately preceding table was used primarily in consideration of services rendered to the Company.

(***) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

II. (*)(**) Effective February 11, 2014, by majority consent of the Board of Directors, the Company approved the following issuances of its restricted common stock in consideration of services rendered, including for and as incentive to continue to assist and provide

services to the Company or its subsidiaries.



Name and Address	Date	Share Amount(***)	Type of Consideration	Fair Market Value of Consideration
Global Media Network USA, Inc. (1) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	2/11/2014	3,000,000	For services rendered to the Company, and Subsidiaries and Incentive	\$ (**)
Joanne M. Sylvanus (2) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	2/11/2014	1,500,000	For services rendered to the Company, and Subsidiaries and Incentive	\$ (**)

- (1) Global Media Network USA, Inc. is 100% owned by Dennis R. Alexander who provides day to day operational services and business consulting services to the Company, and is a shareholder, Chairman, director, and an officer of the Company.
- (2) Joanne M. Sylvanus, for business and consulting, accounting, and advisory services; Mrs. Sylvanus is a shareholder, a director, and CFO and Secretary of the Company.

(*) Issuances are approved, subject to such persons agreeing in writing to i) comply with applicable securities laws and regulations and make required disclosures; and ii) be solely and entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable.

(**)The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of bonus for services rendered to the Company and/or one or more of its subsidiaries, and incentive.

(***) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

III. (i)(ii) On February 11, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for business consulting and advisory services rendered.

Name and Address	Date	Restricted Common Share Amt (iii)	Type of Consideration	Fair Market Value of Consideration
LPA Associates, AG. (1) 45 Seefeldstrasse, 8008 Zurich Switzerland	2/11/14	500,000	Business Consulting / Advisory services	\$ (**)
Ghiona Invest and Trade, Inc. (2) Morgan & Morgan Building Pasea Estate, Road Town, Tortola British Virgin Islands	2/11/14	500,000	Business Consulting / Advisory services	\$ (**)
David Roff (3) 20 Chicora Ave. Toronto, Ontario M5R 1T7 Canada	2/11/14	950,000	Business Consulting / Advisory services	\$ (**)

- (1) LPA Associates, AG. fpr business consulting and advisory services. LPA Associates, AG. is a shareholder and is not a director or officer of the Company.
- (2) Ghiona Invest and Trade, Inc. fpr business consulting and advisory services. Ghiona Invest and Trade, Inc.. is a shareholder and is not a director or officer of the Company.
- (3) David Roff fpr business consulting and advisory services. David Roff is a shareholder and is not a director or officer of the Company.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of business consulting and advisory services.

(iii) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

IV. (i)(ii) On February 10, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name and Address	Date	Restricted Common Shares Amt (iii)	Type of Consideration	Fair Market Value of Consideration
Jeffrey M. Proper (1) 10645 n. Tatum blvd suite 200-652 Phoenix, Arizona 85028	2/10/14	250,000	Legal, Business Consulting and Advisory services	\$ (**)
Penny Proper (2) 10645 n. Tatum blvd suite 200-652 Phoenix, Arizona 85028	2/10/14	250,000	Legal, Business Consulting and Advisory services / By Directive of Mr. Proper	\$ (**)
Jeffrey M. Proper, PLLC (3) 10645 n. Tatum blvd suite 200-652 Phoenix, Arizona 85028	2/10/14	250,000	Legal, Business Consulting and Advisory services	\$ (**)
Stacy Huls (4) 10645 n. Tatum blvd suite 200-652 Phoenix, Arizona 85028	2/10/14	250,000	Legal, Business Consulting and Advisory services / By Directive of Mr. Proper	\$ (**)

- (1) Jeffrey M. Proper, for legal, business consulting and advisory services. Mr. Proper is a shareholder and is not a director or officer of the Company.
- (2) Penny Proper, as directed by Mr. Proper for or related to Jeff Proper legal, business consulting and advisory services. Penny Proper is a shareholder and is not a director or officer of the Company.
- (3) Jeffrey M. Proper, PLLC, for legal, business consulting and advisory services. Jeffrey M. Proper PLLC is a shareholder and is not a director or officer of the Company.
- (4) Stacy Huls, as directed by Mr. Proper for or related to Jeff Proper legal, business consulting and advisory services. Stacy Huls is a shareholder and is not a director or officer of the Company.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of legal, business consulting and advisory services or by directive for same by Mr. Proper.

(iii) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

V. (*)(**) On February 6, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name	Date	Share Amount(***)	Type of Consideration	Fair Market Value of Consideration
Joseph M. Vazquez III (***)(1) 5324 Pine Tree Drive Miami Beach, FL. 33140	2/6/14	1,000,000	Business Consultant//Advisory	\$ (**)

- (1) Joseph M. Vazquez III provides other business Consulting, advisory services, and is not currently a director, or officer of the Registrant.

(*) Issuances are approved, subject to such persons agreeing in writing to i) comply with applicable securities laws and regulations and make required disclosures; and ii) be solely and entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable.

(**)The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of business consulting and advisory services.

(***) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

VI. (i)(ii) On February 6, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name and Address	Date	Restricted Common Share Amt (iii)	Type of Consideration	Fair Market Value of Consideration
JAX Capital Growth LLC (1) 70 Christopher Ct. Woodbury, New York 11797	2/6/14	500,000	Business and Finance Consulting / Advisory services	\$ (**)
JMZ Alliance. Group, Inc. (2) 1108 Kane Concourse #206 Bay Harbor Islands, FL 33154	2/6/14	150,000	Business Consulting / Advisory services	\$ (**)
Infinite Growth Concepts, Inc. (3) 25 Pond Rd Woodbury NY 11797	2/6/14	150,000	Business Consulting / Advisory services	\$ (**)
FigCapital, LLC (4) 347 Fifth Avenue Suite 1402-212 New York, NY 10016	2/6/14	200,000	Business Finance Consulting / Advisory services	\$ (**)
Knightsbridge Law Co., Ltd (5) 3 Raffles Place #07-01 Bharat Building Singapore 048617	2/6/14	250,000	Business Finance Consulting / Advisory services	\$ (**)

- (1) JAX Capital Growth, LLC for business and finance consulting and advisory services rendered to the Company; JAX Capital Growth, LLC is a shareholder and is not a director or officer of the Company.
- (2) JMZ Alliance. Group, Inc., for business consulting and advisory services rendered to the Company; JMZ Alliance. Group, Inc is a shareholder and is not a director or officer of the Company.
- (3) Infinite Growth Concepts, Inc., for business consulting and advisory services rendered to the Company; Infinite Growth Concepts, Inc. is a shareholder and is not a director or officer of the Company.
- (4) FigCapital, LLC, for business finance consulting and advisory services rendered to the Company; FigCapital, LLC is a shareholder and is not a director or officer of the Company.
- (5) Knightsbridge Law Co., Ltd, for business finance consulting and advisory services rendered to the Company; Knightsbridge Law Co., Ltd, AG is a shareholder of the Company.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of business consulting and or business finance consulting and advisory services.

(iii) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

VII. (i) (ii) Effective January, 2014, by majority consent of the Board of Directors, the Company approved the following issuances of its Series C preferred stock, par value \$0.001 per share, to the following persons in consideration of services rendered, including for and as incentive to continue to assist and provide services to the Company or its subsidiaries.

Name and Address	Date	Series C Preferred Stock Share Amt	Type of Consideration	Fair Market Value of Consideration
(iii)(iv)				
Global Media Network USA, Inc. (1) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	1/14/2014	*50,000	For services rendered to the Company, and Subsidiaries and Incentive	\$ (Note 1)
Joanne M. Sylvanus (2) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	1/14/2014	**50,000	For services rendered to the Company, and Subsidiaries and Incentive	\$ (Note 1)

- (1) Global Media Network USA, Inc. is 100% owned by Dennis R. Alexander who provides day to day operational services and business consulting services to the Company, and is a shareholder, Chairman, director, and an officer of the Company.
- (2) Joanne M. Sylvanus, for business and consulting, accounting, and advisory services; Mrs. Sylvanus is a shareholder, a director, and CFO and Secretary of the Company.

(Note 1): Series C preferred stock: The Preferred C stock has a nominal value of \$.001 and no stated dividend rate and is non-participatory. The Series C has liquidation preference over common stock. Effective January 14, 2014 i) Voting Rights for each share of Series C Preferred Stock shall have 31,500 votes on the election of directors of the Company and for all other purposes, and, ii) regarding Conversion to Common Shares, Series C have no right to convert to common or any other series of authorized shares of the Company. We have only used a nominal par value for our listed valuation which is subject to further adjustment.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) All of the financing proceeds (see also Note 1) in the immediately preceding table was used as listed in the table above primarily in consideration of bonus for services rendered and or in exchange for accrued services rendered to the Company and/or one or more of its subsidiaries, and incentive.

(iii) Each share of Series C preferred stock shall have 31,500 votes on the election of our directors and for all other purposes.

(iv) The shares of Series C preferred stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

VIII. (*) (**) On November 7, 2012 by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name	Date	Share Amount(****)	Type of Consideration	Fair Market Value of Consideration
Steven Antebi (***)(****)(1) 10550 Fontenelle Way, Los Angeles, California, 90077	11/7/12	3,333	Consultant/Advisory	\$ 750,000

(1) Steven Antebi provides other Business Consulting and advisory services, and is not currently a director, or officer of the Registrant.

(*) Issuances are approved, subject to such persons agreeing in writing to i) comply with applicable securities laws and regulations and make required disclosures; and ii) be solely and entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable.

(**) \$750,000 worth of common stock in the immediately preceding table was used primarily in consideration of services rendered to the Company.

(***) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

(****) The shares are to be included for registration in a registration statement on a best efforts basis by the Registrant in accordance with the terms of agreement.

IX. (i)(ii) On July 31, 2012, based on approval of the then Board of Directors we completed an acquisition (settled by issuance of shares under a Share Purchase Agreement and Assignment and Bill of Sale Agreement) with Energy Producers, Inc., a wholly owned subsidiary of EGPI Firecreek, Inc. whose address is 6564 Smoke Tree Lane, Scottsdale, Arizona 85253. Pursuant to the Share Purchase Agreement and a Participation Agreement, Mondial has acquired working interests in various Oil and Gas assets from Energy Producers, Inc., a wholly owned subsidiary of EGPI Firecreek, Inc, effectively changing the business of Mondial to an Oil and Gas Company. Upon the closing of the Acquisition, the Company issued to EGPI Firecreek, Inc. 9,333 common shares (post-split) of Mondial common stock, par value \$.001 per share (the "Common Stock"). In addition, we issued 3,333 common shares (post-split) to assign the Share Purchase Agreement and 3,333 common shares (post-split) issued to new management, and 666 shares (post-split) for advisory services in connection with the transaction following the completion of the Acquisition, further as follows:

Name and Address	Date	Restricted Common Shares Amt (iii)	Type of Consideration	Fair Market Value of Consideration
JAX Capital Growth LLC (1) 70 Christopher Ct. Woodbury, New York 11797	7/31/12	667	Advisory services in connection with The Acquisition	\$ 50,000
EGPI Firecreek, Inc. (2) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	7/31/12	9,333	Part of the Acquisition Cost for Tubb Leasehold Interest	\$ 700,000
Global Media Network USA, Inc. (3) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	7/31/12	3,333	For services rendered to the Company in connection with the acquisition And incentive	\$ 250,000
CUBO Energy, AG (4) Chaltenbodenstr 4A Schindellegi 8834 Switzerland	7/31/12	1,667	Assignment of Share Purchase Agreement	\$ 125,000
LFA Associates, AG (5) 45 Seefeldstrasse Zurich 8008 Switzerland	7/31/12	1,667	Assignment of Share Purchase Agreement	\$ 125,000

- (1) JAX Capital Growth, LLC for legal advisory services in connection with the Acquisition; JAX Capital Growth, LLC is a shareholder and is not a director or officer of the Company.
- (2) EGPI Firecreek, Inc., as part of the acquisition cost for the Tubb Leasehold Estate Oil and Gas interests; EGPI Firecreek, Inc. is a shareholder of the Company.
- (3) Global Media Network USA, Inc., for services rendered to the Company in connection with the acquisition and as an incentive; Global Media Network USA, Inc. is a shareholder of the Company and EGPI Firecreek, Inc. who is also a shareholder of the Company. Dennis Alexander who is CEO of the Company owns 100% of Global Media Network USA, Inc.
- (4) CUBO Energy, AG, for assignment of the Share Purchase Agreement. CUBO Energy, AG is a shareholder of the Company.
- (5) LFA Associates, AG, for assignment of the Share Purchase Agreement. LFA Associates, AG is a shareholder of the Company.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) \$1,250,000 of the financing proceeds in the immediately preceding table was used as listed in the table above primarily in consideration of bonus for services rendered and or in exchange for accrued services rendered to the Company and/or one or more of its subsidiaries, and incentive.

(iii) Further restrictions are imposed on the common restricted share issuances such that it is agreed unless approved by the Board of Directors by its written consent, such shares issued to each and every person or entity shall not be hypothecated, sold, exchanged, or otherwise disposed of for a period of 7 months from the effective date of issuance which is August 27, 2012, but transfers to family members are allowed as gifts as long as these further restrictions are disclosed and followed.

(iii) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

ITEM 6. SELECTED FINANCIAL DATA

Not Applicable

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Summary Results Of Operations

Overview

You should read the following discussion and analysis in conjunction with the audited Consolidated Financial Statements and Notes thereto, and the other financial data appearing elsewhere in this Annual Report.

The information set forth in Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, including, among others (i) expected changes in the Company's revenues and profitability, (ii) prospective business opportunities and (iii) the Company's strategy for financing its business. Forward-looking statements are statements other than historical information or statements of current condition. Some forward-looking statements may be identified by use of terms such as "believes", "anticipates", "intends" or "expects". These forward-looking statements relate to the plans, objectives and expectations of the Company for future operations. Although the Company believes that its expectations with respect to the forward-looking statements are based upon reasonable assumptions within the bounds of its knowledge of its business and operations, in light of the risks and uncertainties inherent in all future projections, the inclusion of forward-looking statements in this report should not be regarded as a representation by the Company or any other person that the objectives or plans of the Company will be achieved. In light of these risks and uncertainties, there can be no assurance that actual results, performance or achievements of the Company will not differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. The foregoing review of important factors should not be construed as exhaustive. The Company undertakes no obligation to release publicly the results of any future revisions it may make to forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Mondial Ventures, Inc. was incorporated in the State of Nevada on May 29, 2002, initially an exploration stage mineral company engaged in the acquisition, and exploration of mineral properties with a view to exploiting any mineral deposits we would discover and that demonstrated economic feasibility.

The Company's then sole initial mineral property, the Q29, was located in the Nanaimo Mining Division of British Columbia, Canada. The Company owned a 100% interest, subject to a 2% net smelter returns royalty in the four mineral claims comprising the Q29 property. The claims were purchased from Mr. Edward McCrossan of Vancouver, British Columbia for a cash payment of \$6,000. The objective was to conduct mineral exploration activities on the Q29 property in order to assess whether it possessed economic reserves of copper and gold. Such proposed exploration program was designed to search for an economic mineral deposit.

For several years our plan of operation had been to conduct exploration work on the Q29 property in order to ascertain whether it possessed economic quantities of copper or gold with no assurance that economic mineral deposits or reserves existed on the Q29 property until appropriate exploration work could be done.

Pursuant to an Agreement and Plan of Merger dated as of December 14, 2010, entered into by and between Legacy Athletic Apparel LLC, a Virginia limited liability company and Mondial Ventures, Inc., a Nevada corporation, on December 30, 2010, Legacy merged into Mondial, with Mondial being the surviving entity. As a result of the merger, Mondial succeeded to the business and acquired all the assets and assumed all the liabilities of Legacy.

Prior to December 15, 2010, we owned a 100% interest in four contiguous mineral claims collectively known as the Q29 property. The claims representing our 100% interest in four contiguous mineral claims collectively known as the Q29 property expired on December 15, 2010, and in light of our determination to change our business as contemplated in the merger, we did not re-stake the claims.

The Company has been focused on oil and gas activities for development of interests held that were acquired in Texas for the production of oil and natural gas since July 31, 2012, discontinuing the Legacy operations for retail clothing.

On July 31, 2012, the Company as the assignee of CUBO Energy PLC entered into and completed the closing of an Assignment and Bill of Sale and Stock Purchase Agreement (“SPA”) and a Participation Agreement (Turnkey Drilling, Re Entry, and Multiple Wells) with EGPI Firecreek Inc. through its wholly owned subsidiary Energy Producers, Inc. (“EGPI”). The interests acquired from EGPI were oil and gas interests in the J.B. Tubb Leasehold Estate located outside of Odessa Texas in Ward and Jones County. The field is located in the Permian Basin and the Crawar Field, directly adjacent to property operated by Chevron Corporation in Ward County, Texas (12 miles southeast of Monahans and 30 miles west of Odessa in West Texas). For further information see the section on the “Business” and “Description of Properties” and further listed in this Report.

The Company has been making presentations to asset-based lenders and other financial institutions, developing new strategies and business relationships throughout 2013 for the purpose of (i) expanding and supporting our growth potential by building new infrastructure for its oil and gas operations in 2014. The Company throughout its first quarter of operations for 2014 has been pursuing projects for acquisition and development of select targeted oil and gas proved producing properties with revenues, having upside potential and prospects for enhancement, rehabilitation, and future development. These prospects are primarily located in West Central Texas, and in other core areas of the Permian Basin.

The Company’s goal is to build our revenue base and cash flow; however, the Company makes no guarantees and can provide no assurances that it will be successful in these endeavors.

One of the ways our plans for growth could be altered if current opportunities now available become unavailable:

The Company would need to identify, locate, or address replacing current potential acquisitions or strategic alliances with new prospects or initiate other existing available projects that may have been planned for later stages of growth and the Company may therefore not be ready to activate. This process can place a strain on the Company. New acquisitions, business opportunities, and alliances, take time for review, analysis, inspections and negotiations. The time taken in the review activities is an unknown factor, including the business structuring of the project and related specific due diligence factors.

General

As of July 31, 2012 we are an oil and gas production company focused on the recovery and development of oil and natural gas.

Our Historical Business

Legacy – Mondial Merger

Pursuant to an Agreement and Plan of Merger dated as of December 14, 2010, entered into by and between Legacy Athletic Apparel LLC, (“Legacy”) a Virginia limited liability company and Mondial a Nevada corporation, on December 30, 2010, Legacy merged into Mondial, with Mondial being the surviving entity. Prior to the Plan of Merger Legacy was formed in July 2010 as a Virginia limited liability company. As a result of the merger, Mondial succeeded to the business and acquired all the assets and assumed all the liabilities of Legacy. Previous business activities related to Legacy operations included the development, design, marketing and distribution of branded performance apparel, footwear and accessories for men, women and youth.

Historical Mining Operations

Prior to the historical merger with Legacy, the Company was an exploration stage mineral company engaged in the acquisition, and exploration of mineral properties with a view to exploiting any mineral deposits we would discover and that demonstrated economic feasibility. Prior to December 15, 2010, we owned a 100% interest in four contiguous mineral claims collectively known as the Q29 property. The claims expired on December 15, 2010, and in light of our determination to change our business as contemplated in the merger, we did not re-stake the claims.

We account for or have accounted for Legacy in discontinued operations in the consolidated statements of operations for the related fiscal year.

Completion and Entry into a Definitive Agreement with Energy Producers, Inc., a wholly owned subsidiary of EGPI Firecreek, Inc. (“EGPI”) (Note: * Please refer to the Section on the “The Business”, various sub headings thereto, and information contained in “Recent Developments” for updates regarding current and future operations).

On July 31, 2012, the Company as the assignee of CUBO Energy PLC entered into and completed the closing of an Assignment and Bill of Sale and Stock Purchase Agreement (“SPA”) with EGPI Firecreek Inc. through its wholly owned subsidiary Energy Producers, Inc. (“EGPI”). The interests acquired from EGPI were oil and gas interests in the J.B. Tubb Leasehold Estate located outside of Odessa Texas in Ward and Jones County. The Agreement included our entering into a Participation Agreement (Turnkey Drilling, Re Entry, and Multiple Wells) granting certain rights in and to interests for additional development on the J.B. Tubb Leasehold Estate. The Company presently owns 37.5% working interest (“WI”), 28.125% net revenue interest (“NRI”) in the oil and gas interests, and pro rata oil & gas revenue and reserves for all depths below the surface to at least 8500 ft. including all related assets, fixtures, equipment, three well heads and three well bores. The field is located in the Permian Basin and the Cawar Field, directly adjacent to property operated by Chevron Corporation in Ward County, Texas (12 miles southeast of Monahans and 30 miles west of Odessa in West Texas). For further information see the section on the “Business” and “Description of Properties” listed in this Report.

Completion and Entry into a Definitive Short Form Agreement with EGPI for staged in Pending Acquisition of 50% Oil and Gas Working Interests, Callahan, Stephens, and Shakelford Counties, Texas

On October 30, 2012, the Company as the assignee of CUBO Energy PLC entered into a Linear Short Form Agreement with EGPI Firecreek, Inc. through its wholly owned subsidiary Energy Producers, Inc. (“EGPI”) involving the development and acquisition of oil and gas interests subject to certain requirements. The interests relating to 50% working interests and corresponding 32% net revenue interests in oil and gas leases representing the aggregate total of 240 acre leases, reserves, three wells, and equipment located in Callahan, Stephens, and Shakelford Counties, West Central Texas. For further information see the section on the “Business” listed in this Report.

The Company expects to incur an increase in operating expenses during the next year from commencing activities related to its plans for the Company’s oil and gas business through EPI, oil and gas services business through CWR, alternative energy business division through Arctic Solar Engineering, LLC, and including any new or pending acquisitions discussed herein, and those business activities and developments whether ongoing or to be concluded, as related to our M3, SATCO, and Terra strategy and operations, and ongoing potential acquisitions, including new or pending acquisitions related to signalization and lighting geared to the transportation industry. The amount of net losses and the time required for the Company to reach and maintain profitability are uncertain at this time. There is a likelihood that the Company will encounter difficulties and delays encountered with business subsidiary operations, including, but not limited to uncertainty as to development and the time and timing required for the Company’s plans to be fully implemented, governmental regulatory responses to the Company’s plans, fluctuating markets and corresponding spikes, or dips in our products demand, currency exchange rates between countries, acquisition and development pricing, related costs, expenses, offsets, increases, and adjustments. There can be no assurance that the Company will ever generate significant revenues or achieve profitability at all or on any substantial basis.

RESULTS OF OPERATIONS - December 31, 2013 Compared to December 31, 2012

Total revenues from oil and gas production were \$133,369 and \$ 87,309 for the year ended December 31, 2013 and 2012, respectively.

General administrative expenses used in calculating income from continuing operations were \$1,043,680 in 2013 compared to \$1,998,092 in 2012.

Following is a breakdown of general and administrative costs for this period versus a year ago:

Detail of general & administrative expenses:

	December 31, 2013	December 31, 2012
Advertising & promotion	\$ 934	\$ 1,427
Administration	253,277	45,221
Professional fees	682,031	1,675,681
Bad debt	22,660	23,696
Total	\$ 958,902	1,746,025

Advertising and Promotion cost of \$934 and \$1,427 were used for investor relations and market awareness for the year ended December 31, 2013 and 2012, respectively.

Administration Costs of \$253,277 and \$45,221 were used for office and general operating expenses for the year ended December 31, 2013 and 2012, respectively.

Professional Fees of \$682,031 and \$1,675,681 were incurred in regards to legal costs, audit costs, securing financing, and the acquisition of leads and contacts with regard to possible new business ventures and includes data acquisition costs, technical work, and engineering reports, for the year ended December 31, 2013 and 2012, respectively.

After deducting general and administrative expense, and impairment losses, the Company experienced a loss from continuing operations of \$1,039,351 for the year ended December 31, 2013 as compared to a loss from continuing operations of \$2,043,365 in fiscal 2012.

Interest expense for the year ended December 31, 2013 was \$722,794 as compared to \$100,362 in fiscal year 2012.

The Company incurred other expenses in the amount of \$691,423 for the year ended December 31, 2013 as compared to other income of \$3,860 for the year ended December 31, 2012.

The Company incurred a net loss of \$2,453,568 for the year ended December 31, 2013 as compared to net loss of \$2,139,867 in fiscal year 2012.

Fully diluted income (loss) per share was (\$22.92) loss per share in fiscal year 2013 as compared to loss of (\$39.37) per share in fiscal 2012. Loss per shares was adjusted for 1:1500 stock splits effective on January 31, 2014.

LIQUIDITY AND CAPITAL RESOURCES

Cash on hand at December 31, 2013 was \$3,508 compared to \$23,518 at the beginning of the year. The Company had working capital deficit of \$1,363,383 at December 31, 2013 compared to a working capital deficit of \$933,716 at December 31, 2011.

Cash used in operating activities was \$458,790 for the year ended December 31, 2013, compared with \$20,237 used for the year ended December 31, 2012.

Cash used in investing activities was \$nil for the year ended December 31, 2013, compared to \$80,000 used for the year ended December 31, 2012.

The Company received cash from financing activities in the amount of \$438,780 for the year ended December 31, 2013 as compared to \$122,182 received in fiscal year 2012.

Total assets decreased to \$844,536 at December 31, 2013 compared to \$951,412 at the beginning of the year mainly as a result of the impairment of long-lived assets, depreciation and depletion of Tubb lease oil and gas properties, and cash used in operating activities.

Shareholders' deficit increased to \$528,136 at December 31, 2013 from \$10,936 at December 31, 2012.

The Company must generally undertake certain ongoing expenditures in connection with rebuilding, expanding and developing its oil and gas business and related acquisition activity and its business acquisition activities, and for various past and present legal, accounting, consulting, and technical review, and to perform due diligence for the acquisition and development programs for both lines of business; furthering research for new and ongoing business prospects, and in pursuing capital financing for its existing available rights and proposed operations.

For financing activities in 2013, management obtained \$450,780 cash proceeds by issuing promissory notes. Proceeds were used for working capital.

Management has estimated that cost for initially paying down certain of the Company's recent debt, providing necessary working capital, and activating development of its current plans for domestic oil and gas segment operations, alternative energy division, acquisition and developments, will initially require a very minimum of \$3,500,000 to \$7,500,000 to a maximum of \$8,000,000 to \$10 million during the first six to twelve months of fiscal 2014.

Financing our full expansion and development plans for our oil and gas operations could require up to \$50,000,000 or more. The Company may elect to reduce or increase its requirement as circumstances dictate. We may elect to revise these plans and requirements for funds depending on factors including; changes in acquisition and development estimates; interim corporate and project finance requirements; unexpected timing of markets as to cyclical aspects as a whole; currency and exchange rates; project availability with respect to interest and timing factors indicated from parties representing potential sources of capital; structure and status of our strategic alliances, potential joint venture partners, and or our targeted acquisitions and or interests.

The Company cannot predict that it will be successful in obtaining funding for its plans or that it will achieve profitability in fiscal 2014.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Not applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

MONDIAL VENTURES, INC.
FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND DECEMBER 31, 2012

Index to Financial Statements

CONSOLIDATED FINANCIAL STATEMENTS

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Mondial Ventures, Inc.

We have audited the accompanying balance sheets of Mondial Ventures, Inc. (the "Company") as of December 31, 2013 and December 31, 2012, and the related statements of operations, changes in shareholders' deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Mondial Ventures, Inc. (the "Company") as of December 31, 2013 and December 31, 2012, and the results of its operations, cash flows, and changes in shareholders' deficit for the years then ended described above in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses and negative cash flows from operations that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also discussed in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ M&K CPAS, PLLC

www.mkcpas.com
Houston, Texas
April 15, 2014

Mondial Ventures, Inc.
Balance Sheets
As of December 31, 2013 and December 31, 2012

	December 31,	
	2013	2012
Assets		
Current assets:		
Cash	\$ 3,508	\$ 23,518
Total current assets	3,508	23,518
Other Assets:		
Fixed assets - net	25,363	35,661
Proved oil and natural gas properties - net	800,341	892,233
Deferred Financial Costs	15,324	-
Total other assets	841,028	927,894
Total assets	\$ 844,536	\$ 951,412
Liabilities and shareholders' deficit		
Current liabilities:		
Accounts payable and accrued expenses	\$ 219,528	\$ 171,364
Accounts payable and accrued expenses – related parties	15,958	19,870
Loans and notes payable	366,284	763,342
Loans and notes payable – in default	310,902	-
Advances and notes – related parties	1,232	1,232
Convertible loans payable, net of discount of \$137,742 and \$26,074, respectively	199,446	1,426
Convertible loans payable – related parties, net of discount of \$6,590 and \$nil, respectively	8,410	-
Convertible loan payable, net – in default	25,000	-
Derivative liabilities	220,131	-
Total current liabilities	1,366,891	957,234
Long-term liabilities:		
Asset retirement obligation	5,781	5,114
Total long-term liabilities	5,781	5,114
Total Liabilities	1,372,672	962,348
Stockholders' equity (deficit)		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized, nil shares issued and outstanding as of December 31, 2013 and 2012	-	-
Common stock, \$0.001 par value; 1,490,000,000 shares authorized, 334,738 shares and 39,333 shares issued and outstanding at December 31, 2013 and 2012, respectively	335	39
Additional paid-in capital	4,881,543	2,949,471
Capital stock subscribed	4,000	-
Accumulated deficit	(5,414,014)	(2,960,446)
Total shareholders' equity (deficit)	(528,136)	(10,936)
Total liabilities and stockholders' capital	\$ 844,536	\$ 951,412

The accompanying notes are an integral part of these statements.

Mondial Ventures, Inc.
Statements of Operations
For the Years Ended December 31, 2013 and December 31, 2012

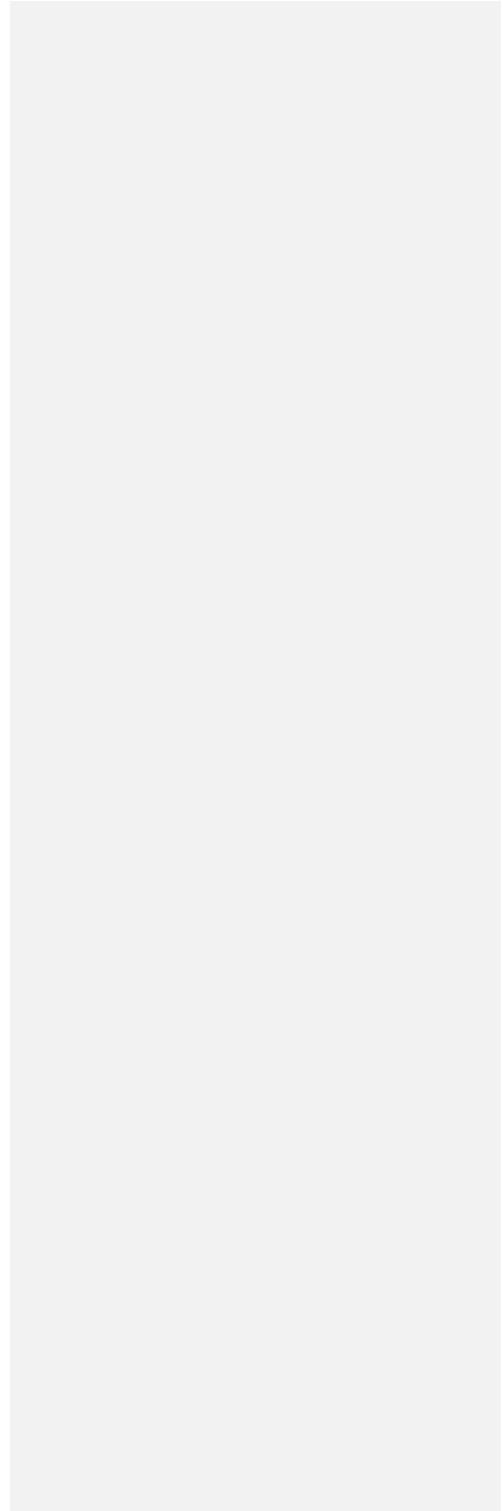
	Year Ended December 31,	
	2013	2012
Revenues:		
Gross revenues from oil and gas sales	\$ 133,369	\$ 87,309
Well operating costs	<u>(129,040)</u>	<u>(132,582)</u>
Gross margin	4,329	(45,273)
General and administrative expenses:		
General and administration	958,902	1,746,025
Impairment of oil and gas leases	84,778	147,795
Impairment of goodwill	-	104,272
Total general and administration expenses	<u>1,043,680</u>	<u>1,998,092</u>
Net loss from operations	(1,039,351)	(2,043,365)
Other income and expenses:		
Interest expense	(722,794)	(100,362)
Adjustment to ARO	-	3,860
Gain/loss on derivatives	(127,872)	-
Gain/loss on settlement of debt	<u>(563,551)</u>	<u>-</u>
Net loss before provision for income taxes	(2,453,568)	(2,139,867)
Provision for income taxes	<u>-</u>	<u>-</u>
Net loss	<u>\$ (2,453,568)</u>	<u>\$ (2,139,867)</u>
Basic and diluted net loss per common share	<u>\$ (22.92)</u>	<u>\$ (39.37)</u>
Weighted average common shares outstanding	<u>107,036</u>	<u>54,357</u>

The accompanying notes are an integral part of these statements.

Mondial Ventures, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2013 and December 31, 2012

	Year Ended December 31,	
	2013	2012
Operating activities		
Net loss	\$ (2,453,568)	\$ (2,139,867)
Adjustments to reconcile net loss to net cash used in operating activities:		
Common shares issued for services	190,567	2,150,000
Accretion of asset retirement obligation	667	330
Adjustment to asset retirement obligation	-	(3,860)
Bad debt expenses	22,660	23,696
Depreciation	10,298	4,722
Depletion	7,114	53,602
Amortization of debt discount	501,367	4,768
Loss on debt conversion and settlement	563,551	-
Change in fair value of derivative liability	127,872	-
Imputed interest	19,989	-
Impairment of goodwill	-	104,272
Impairment of oil and gas assets	84,778	147,795
Loss on assumption of debt	286,000	-
Changes in other operating assets and liabilities:		
Account receivables	(22,660)	(23,696)
Other assets	16,726	-
Accounts payable and accrued expenses	189,761	(341,999)
Accounts payable and accrued expenses related parties	(3,912)	-
Net cash provided by (used in) operating activities	(458,790)	(20,237)
Investing activities		
Cash paid to improve wells	-	(80,000)
Net cash used in investing activities	-	(80,000)
Financing activities:		
Deferred financing costs	(32,050)	-
Advances - related parties	-	1,232
Borrowings on debt	101,550	117,500
Borrowings on convertible debt	366,280	-
Borrowings on convertible debt – related parties	15,000	-
Payment on debt	(12,000)	-
Cash contributed by shareholder	-	3,450
Net cash provided by financing activities	438,780	122,182
Net increase (decrease) in cash during the period	(20,010)	21,945
Cash balance at January 1, 2013	23,518	1,573
Cash balance at December 31, 2013	\$ 3,508	\$ 23,518
Supplemental disclosures of cash flow information:		
Interest paid during the year	-	-
Non-cash activities:		
Shares and debt issued in acquisition	-	1,054,328
Shares rescinded during the year	-	71,000
Debt discount due to beneficial conversion feature	92,500	27,500
Debt discount due to embedded derivative feature	513,465	-
Shares issued for debt conversion and settlement	648,555	-
Adjustment to derivative liabilities due to debt conversion	421,206	-

The accompanying notes are an integral part of these statements.



Mondial Ventures, Inc.
Statement of Changes in Shareholders' Deficit
For the period from December 31, 2011 to December 31, 2013

	Common Stock Shares	Par Value	Additional Paid-in Capital	Stock Payable	Deficit	Total Stockholders' Equity (Deficit)
Balance at December 31, 2011	66,667	\$ 67	\$ 172,809	\$ -	\$ (820,579)	\$ (647,703)
Common stock issued in connection with acquisition	9,333	9	595,675			595,684
Common stock issued for services	10,667	10	2,149,990			2,150,000
Cash contributed by shareholder			3,450			3,450
Debt discount			27,500			27,500
Shares rescinded	(47,334)	(47)	47			
Net loss					(2,139,867)	(2,139,867)
Balance December 31, 2012	39,333	\$ 39	\$ 2,949,471	\$ -	\$ (2,960,446)	\$ (10,936)
Common stock issued for debt conversion and settlement	293,738	294	1,211,812	-	-	1,212,105
Common shares issued for services	1,667	2	186,565	4,000	-	190,567
Debt discount	-	-	92,500	-	-	92,500
Adjustment to derivative due to debt conversion	-	-	421,206	-	-	421,206
Imputed interest	-	-	19,989	-	-	19,989
Net loss for the year ended December 31, 2013	-	-	-	-	(2,453,568)	(2,453,568)
Balance at December 31, 2013	334,738	\$ 335	\$ 4,881,543	\$ 4,000	\$ (5,414,014)	\$ (528,136)

The accompanying notes are an integral part of these statements.

Mondial Ventures, Inc.
Notes to Audited Financial Statements
For the Years Ended December 31, 2013 and December 31, 2012

1. Organization of the Company and Significant Accounting Principals

The Company was incorporated in the state of Nevada May 29, 2002 as Mondial Ventures, Inc.

In December 2003, the Company owned a 100% interest, subject to a 2% net smelter returns royalty, in four mineral claims located in the Namaimo Mining Division of British Columbia.

Effective December 1, 2010, the Company increased its authorized common shares to 250,000,000 with a par value of \$0.001, and authorized shares of blank check preferred stock, par value \$0.001 per share.

On December 15, 2010 the claims related to the 100% interest owned in the British Columbia mineral claims expired.

On December 30, 2010, the Company completed a merger with Legacy Athletic Apparel, LLC, a Virginia limited liability company (Legacy) in a Merger Agreement dated December 14, 2010, by and between the Company and Legacy. Pursuant to the Plan of Merger, Legacy merged into the Company, with the Company being the surviving entity ("the Merger"). The transaction was accounted for using the purchase method of accounting.

On July 31, 2012, the Company purchased oil and gas assets and interests in the J.B. Tubb Leasehold Estate from EGPI Firecreek, Inc. The Company issued 14,000,000 shares of common stock to EGPI Firecreek, Inc. and the assumption of debt for 37.5% working interest and corresponding 28.125% net revenue interest in the oil and gas interests and pro rata oil and gas revenue and reserves in the North 40 plus additional right agreement for the South 40 of the J.B. Tubb Leasehold Estate, and for all depths below the surface to 8,500 ft. Also included are all related assets, fixtures, equipment, three well heads and three well bores.

On October 30, 2012 the Company entered into a Definitive Short Form Agreement with EGPI Firecreek, Inc. for development of 240 acre leases, reserves, three wells and equipment located in Callahan, Steven and Shackelford Counties, West Central Texas, which includes but is not limited to continuing negotiations to buy out 50% partner interests, due diligence, evaluation and preparation including an initial 3-D Seismic study reserve studies and roll over leases if necessary. The agreement is non-binding and the parties intend to finalize the agreement by executing a Definitive Long Form Agreement in the future. The parties had until November 6, 2012 to finalize this agreement but did not do so by that date. Both parties are still interested in pursuing this transaction in the future.

Effective August 21, 2013, the Company increased its authorized common shares to 490,000,000 with a par value of \$0.001, and with its current 10,000,000 authorized shares of blank check preferred stock, par value \$0.001 per share.

Effective October 2, 2013, the Company increased its authorized common shares to 1,490,000,000 with a par value of \$0.001, and with its current 10,000,000 authorized shares of blank check preferred stock, par value \$0.001 per share.

Effective on January 31, 2014, the Company effected a one (1) for fifteen hundred (1,500) reverse stock split whereby, as of the record date, for every fifteen hundred shares of common stock then owned, each shareholder received one share of common stock. All share amounts throughout this report have been retroactively adjusted for all periods to reflect this stock-split.

Use of Estimates- The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make reasonable estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses at the date of the consolidated financial statements and for the period they include. Actual results may differ from these estimates.

Revenue and Cost Recognition

Oil and Gas: Revenue is recognized from oil and gas sales in the period of delivery. Settlement on sales occurs anywhere from two weeks to two months after the delivery date. The Company recognizes revenue when an arrangement exists, the product has been delivered, the sales price has been fixed or determinable, and collectability is reasonably assured.

Cash Equivalents The Company considers all highly liquid investments with the original maturities of three months or less to be cash equivalents. There were no cash equivalents as of December 31, 2013 or December 31, 2012.

Oil and Gas Activities The Company uses the successful efforts method of accounting for oil and gas producing activities. Under this method, acquisition costs for proved and unproved properties are capitalized when incurred. Exploration costs, including geological and geophysical costs, the costs of carrying and retaining unproved properties and exploratory dry hole drilling costs are expensed. Development costs, including the costs to drill and equip developmental wells, and successful exploratory drilling costs to locate proved reserves are capitalized.

Exploratory drilling costs are capitalized when incurred pending the determination of whether a well has found proved reserves. A determination of whether a well has found proved reserves is made shortly after drilling is completed. The determination is based on a process which relies on interpretations of available geologic, geophysics, and engineering data. If a well is determined to be

unsuccessful, the capitalized drilling costs will be charged to expense in the period the determination is made. If an exploratory well requires a major capital expenditure before production can begin, the cost of drilling the exploratory well will continue to be carried as an asset pending determination of whether proved reserves have been found only as long as: i) the well has found a sufficient quantity of reserves to justify its completion as a producing well if the required capital expenditure is made, and: ii) drilling of the additional exploratory well is under way or firmly planned for the near future. If drilling in the area is not under way or firmly planned, or if the well has not found a commercially producible quantity of reserves, the exploratory well is assumed to be impaired, and its costs are charged to expense.

In the absence of a determination as to whether the reserves that have been found can be classified as proved, the cost of drilling such an exploratory well is not carried as an asset for more than one year following completion of drilling. If after that year is passed, a determination that proved reserves exist cannot be made, the well is assumed impaired and its costs are charged to expense. Its costs can, however, continue to be capitalized if a sufficient quantity of reserves is discovered in the well to justify its completion as a producing well and sufficient progress is made in assessing the reserves and the well's economic and operating feasibility.

The impairment of unamortized capital costs is measured at a lease level and is reduced to fair value if it is determined that the sum of expected future net cash flows is less than the net book value. The Company determines if impairment has occurred through either adverse changes or as a result of the annual review of all fields. During 2013 after conducting an impairment analysis, the Company recorded an impairment of \$84,778.

Asset Retirement Obligations ("ARO")- The estimated costs of restoration and removal of facilities are accrued. The fair value of a liability for an asset's retirement obligation is recorded in the period in which it is incurred and the corresponding cost capitalized by increasing the carrying amount of the related long-lived asset. The liability is accreted to its then present value each period, and the capitalized cost is depreciated with the related long-lived asset. If the liability is settled for an amount other than the recorded amount, a gain or loss is recognized. For all periods presented, estimated future costs of abandonment and dismantlement are included in the full cost amortization base and are amortized as a component of depletion expense. At December 31, 2013 and 2012, the ARO of \$5,781 and \$5,114 is included in liabilities and fixed assets.

Development costs of proved oil and gas properties, including estimated dismantlement, restoration and abandonment costs and acquisition costs, are depreciated and depleted on a field basis by the units-of-production method using proved developed and proved reserves, respectively. The costs of unproved oil and gas properties are generally combined and impaired over a period that is based on the average holding period for such properties and the Company's experience of successful drilling.

Costs of retired, sold or abandoned properties that make up a part of an amortization base (partial field) are charged to accumulated depreciation, depletion and amortization if the units-of-production rate is not significantly affected. Accordingly, a gain or loss, if any, is recognized only when a group of proved properties (entire field) that make up the amortization base has been retired, abandoned or sold.

Stock-Based Compensation- The Company estimates the fair value of share-based payment awards made to employees and directors, including stock options, restricted stock and employee stock purchases related to employee stock purchase plans, on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as an expense ratably over the requisite service periods. We estimate the fair value of each share-based award using the Black-Sholes option pricing model. The Black-Sholes model is highly complex and dependent on key estimates by management. The estimates with the greatest degree of subjective judgment are the estimated lives of the stock-based awards and the estimated volatility of our stock price. The Black-Sholes model is also used for our valuation of warrants.

Earnings Per Common Share-Basic earnings per common share is calculated based upon the weighted average number of common shares outstanding for the period. Diluted earnings per common share is computed by dividing net income by the weighted average number of common shares and dilutive common share equivalents (convertible notes and interest on the notes, stock awards and stock options) outstanding during the period. Dilutive earnings per common share reflects the potential dilution that could occur if options to purchase common stock were exercised for shares of common stock. Basic and diluted EPS are the same as the effect of our potential common stock equivalents would be anti-dilutive.

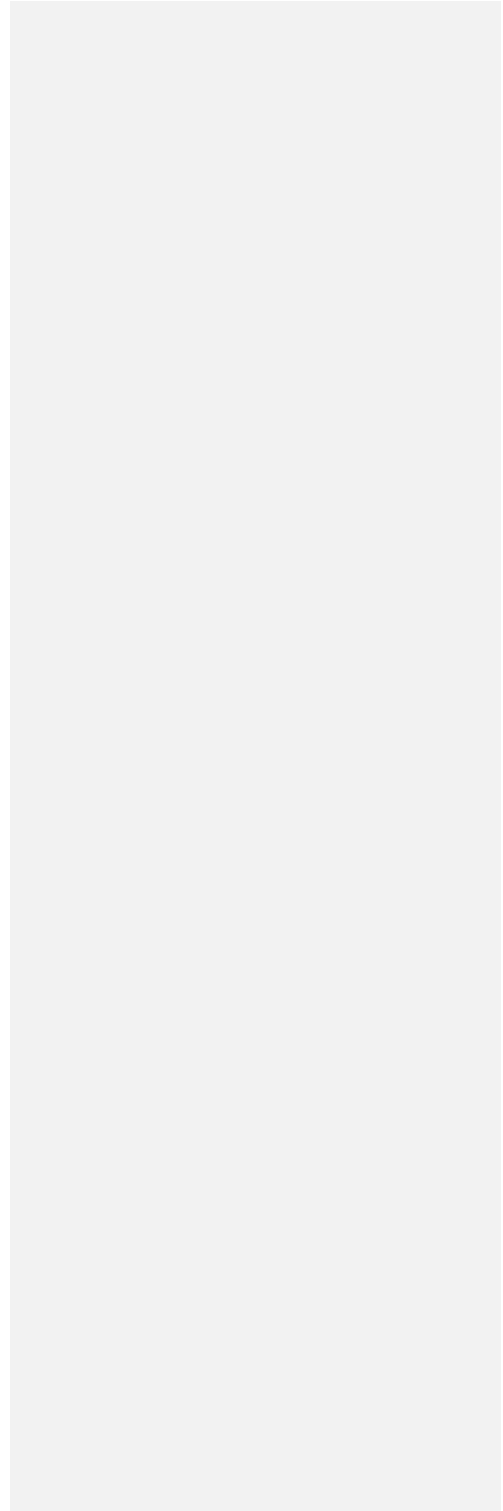
Fair Value Measurements – On January 1, 2008, the Company adopted guidance which defines fair value, establishes a framework for using fair value to measure financial assets and liabilities on a recurring basis, and expands disclosures about fair value measurements. Beginning on January 1, 2009, the Company also applied the guidance to non-financial assets and liabilities measured at fair value on a non-recurring basis, which includes goodwill and intangible assets. The guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions of what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the reliability of the inputs as follows:

Level 1 – Valuation is based upon unadjusted quoted market prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2 –Valuation is based upon quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or valuations based on models where the significant inputs are observable in the market.

Level 3 – Valuation is based on models where significant inputs are not observable. The unobservable inputs reflect the Company's own assumptions about the inputs that market participants would use.

The following table presents assets and liabilities that are measured and recognized at fair value as of December 31, 2013 on a recurring and non-recurring basis:



Description	Level 1	Level 2	Level 3	Total Gains (Losses)
Derivative liabilities (recurring)	\$ -	\$ -	\$ 220,131	\$ (127,872)

The following table presents assets and liabilities that are measured and recognized at fair value as of December 31, 2012 on a recurring and non-recurring basis:

Description	Level 1	Level 2	Level 3	Total Gains (Losses)
None	\$ -	\$ -	\$ -	\$ -

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities and long-term debt. The estimated fair value of cash, accounts receivable, accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these instruments. The carrying value of long-term debt also approximates fair value since their terms are similar to those in the lending market for comparable loans with comparable risks. None of these instruments are held for trading purposes.

Fixed Assets- Fixed assets are stated at cost. Depreciation expense is computed using the straight-line method over the estimated useful life of the asset. The following is a summary of the estimated useful lives used in computing depreciation expense:

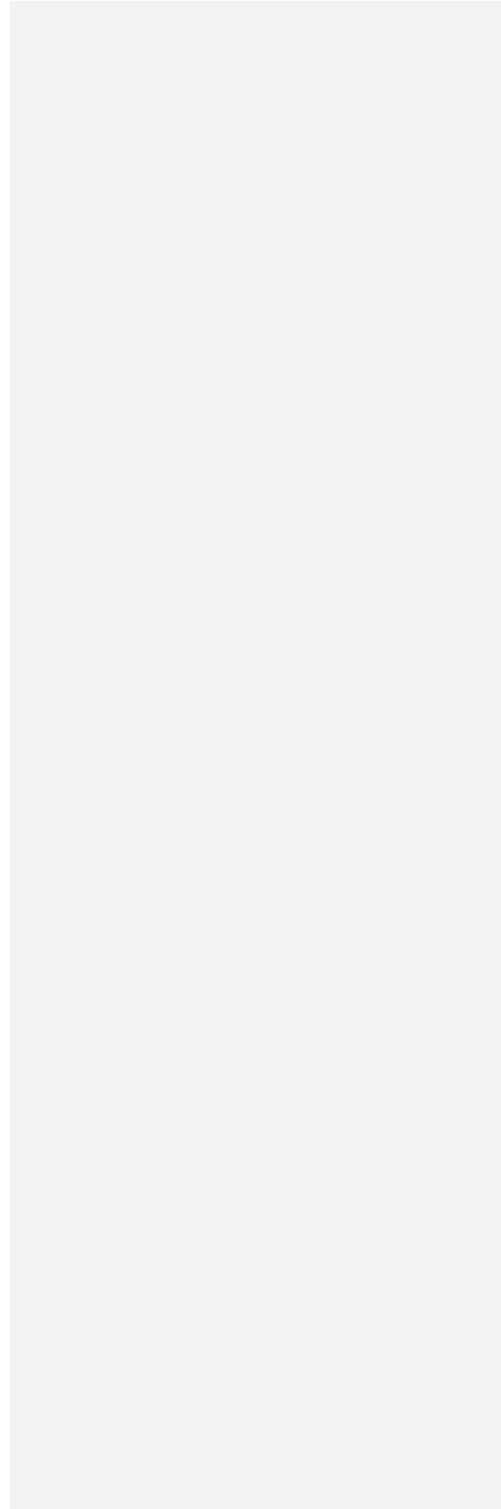
Well equipment	5 years
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Expenditures for major repairs and renewals that extend the useful life of the asset are capitalized. Minor repair expenditures are charged to expense as incurred.

Impairment of Long-Lived Assets- The Company has adopted Accounting Standards Codification subtopic 360-10, Property, Plant and Equipment ("ASC 360-10"). ASC 360-10 requires that long-lived assets and certain identifiable intangibles held and used by the Company be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company evaluates its long-lived assets for impairment annually or more often if events and circumstances warrant. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses or a forecasted inability to achieve break-even operating results over an extended period. The Company evaluates the recoverability of long-lived assets based upon forecasted undiscounted cash flows. Should impairment in value be indicated, the carrying value of intangible assets will be adjusted, based on estimates of future discounted cash flows resulting from the use and ultimate disposition of the asset. ASC 360-10 also requires that those assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Goodwill and Other Intangible Assets – The Company periodically reviews the carrying value of intangible assets not subject to amortization, including goodwill, to determine whether impairment may exist. Goodwill and certain intangible assets are assessed annually, or when certain triggering events occur, for impairment using fair value measurement techniques. These events could include a significant change in the business climate, legal factors, a decline in operating performance, competition, sale or disposition of a significant portion of the business, or other factors. Specifically, goodwill impairment is determined using a two-step process. The first step of the goodwill impairment test is used to identify potential impairment by comparing the fair value of a reporting unit with its carrying amount, including goodwill. The Company uses level 3 inputs and a discounted cash flow methodology to estimate the fair value of a reporting unit. A discounted cash flow analysis requires one to make various judgmental assumptions including assumptions about future cash flows, growth rates, and discount rates. The assumptions about future cash flows and growth rates are based on the Company's budget and long-term plans. Discount rate assumptions are based on an assessment of the risk inherent in the respective reporting units. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired and the second step of the impairment test is unnecessary. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test is performed to measure the amount of impairment loss, if any. The second step of the goodwill impairment test compares the implied fair value of the reporting unit's goodwill with the carrying amount of that goodwill. If the carrying amount of the reporting unit's goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to that excess. The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination. That is, the fair value of the reporting unit is allocated to all of the assets and liabilities of that unit (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination and the fair value of the reporting unit was the purchase price paid to acquire the reporting unit. The Company's evaluation of goodwill completed at December 31, 2012 pertaining to Legacy resulted in a full impairment. This impairment was recorded as an impairment expense of \$104,272.

As of December 31, 2013 the Company had no amortizable intangible assets.



Income taxes- The Company accounts for income taxes using the asset and liability method, which requires the establishment of deferred tax assets and liabilities for the temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided to the extent deferred tax assets may not be recoverable after consideration of the future reversal of deferred tax liabilities, tax planning strategies, and projected future taxable income.

The Company uses a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The guidance requires the Company to recognize tax benefits only for tax positions that are more likely than not to be sustained upon examination by tax authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely to be realized upon settlement. A liability for "unrecognized tax benefits" is recorded for any tax benefits claimed in our tax returns that do not meet these recognition and measurement standards.

Recent accounting pronouncements –

In July 2013, FASB issued ASU No. 2013-11, "Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward or a Similar Tax Loss, or a Tax Credit Carryforward Exists." The provisions of ASU No. 2013-11 require an entity to present an unrecognized tax benefit, or portion thereof, in the statement of financial position as a reduction to a deferred tax asset for a net operating loss carryforward or a tax credit carryforward, with certain exceptions related to availability. ASU No. 2013-11 is effective for interim and annual reporting periods beginning after December 15, 2013. The adoption of ASU No. 2013-11 is not expected to have a material impact on the Company's Consolidated Financial Statements.

In February 2013, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2013-02, *Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income*, to improve the transparency of reporting these reclassifications. Other comprehensive income includes gains and losses that are initially excluded from net income for an accounting period. Those gains and losses are later reclassified out of accumulated other comprehensive income into net income. The amendments in the ASU do not change the current requirements for reporting net income or other comprehensive income in financial statements. All of the information that this ASU requires already is required to be disclosed elsewhere in the financial statements under U.S. GAAP. The new amendments will require an organization to:

- Present (either on the face of the statement where net income is presented or in the notes) the effects on the line items of net income of significant amounts reclassified out of accumulated other comprehensive income – but only if the item reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period; and
- Cross-reference to other disclosures currently required under U.S. GAAP for other reclassification items (that are not required under U.S. GAAP) to be reclassified directly to net income in their entirety in the same reporting period. This would be the case when a portion of the amount reclassified out of accumulated other comprehensive income is initially transferred to a balance sheet account (e.g., inventory for pension-related amounts) instead of directly to income or expense

The amendments apply to all public and private companies that report items of other comprehensive income. Public companies are required to comply with these amendments for all reporting periods (interim and annual). The amendments are effective for reporting periods beginning after December 15, 2012, for public companies. Early adoption is permitted. The adoption of ASU No. 2013-02 is not expected to have a material impact on our financial position or results of operations.

In January 2013, the FASB issued ASU No. 2013-01, *Balance Sheet (Topic 210): Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities*, which clarifies which instruments and transactions are subject to the offsetting disclosure requirements originally established by ASU 2011-11. The new ASU addresses preparer concerns that the scope of the disclosure requirements under ASU 2011-11 was overly broad and imposed unintended costs that were not commensurate with estimated benefits to financial statement users. In choosing to narrow the scope of the offsetting disclosures, the Board determined that it could make them more operable and cost effective for preparers while still giving financial statement users sufficient information to analyze the most significant presentation differences between financial statements prepared in accordance with U.S. GAAP and those prepared under IFRSs. Like ASU 2011-11, the amendments in this update will be effective for fiscal periods beginning on, or after January 1, 2013. The adoption of ASU 2013-01 is not expected to have a material impact on our financial position or results of operations.

In October 2012, the FASB issued Accounting Standards Update ASU 2012-04, "Technical Corrections and Improvements" in Accounting Standards Update No. 2012-04. The amendments in this update cover a wide range of Topics in the Accounting Standards Codification. These amendments include technical corrections and improvements to the Accounting Standards Codification and conforming amendments related to fair value measurements. The amendments in this update will be effective for fiscal periods beginning after December 15, 2012. The adoption of ASU 2012-04 is not expected to have a material impact on our financial position or results of operations.

In August 2012, the FASB issued ASU 2012-03, “Technical Amendments and Corrections to SEC Sections: Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin (SAB) No. 114, Technical Amendments Pursuant to SEC Release No. 33-9250, and Corrections Related to FASB Accounting Standards Update 2010-22 (SEC Update)” in Accounting Standards Update No. 2012-03. This update amends various SEC paragraphs pursuant to the issuance of SAB No. 114. The adoption of ASU 2012-03 is not expected to have a material impact on our financial position or results of operations.

In July 2012, the FASB issued ASU 2012-02, “Intangibles – Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment” in Accounting Standards Update No. 2012-02. This update amends ASU 2011-08, *Intangibles – Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment* and permits an entity first to assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test in accordance with Subtopic 350-30, *Intangibles – Goodwill and Other – General Intangibles Other than Goodwill*. The amendments are effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. Early adoption is permitted, including for annual and interim impairment tests performed as of a date before July 27, 2012, if a public entity’s financial statements for the most recent annual or interim period have not yet been issued or, for nonpublic entities, have not yet been made available for issuance. The adoption of ASU 2012-02 has not had a material impact on our financial position or results of operations.

2. Going Concern

The accompanying consolidated financial statements have been prepared on a going concern basis of accounting, which contemplates continuity of operations, realization of assets and liabilities and commitments in the normal course of business. The accompanying consolidated financial statements do not reflect any adjustments that might result if the Company is unable to continue as a going concern. The Company has experienced substantial losses, maintains a negative working capital and capital deficits, which raise substantial doubt about the Company's ability to continue as a going concern.

The Company is working to manage its current liabilities while it continues to make changes in operations to improve its cash flow and liquidity position. The ability of the Company to continue as a going concern and appropriateness of using the going concern basis is dependent upon the Company's ability to generate revenue from the sale of its services and the cooperation of the Company's note holders to assist with obtaining working capital to meet operating costs in addition to our ability to raise funds.

3. Common Stock Transactions

During the year ended December 31, 2013, the Company issued 1,667 shares of common stock for services that were expensed and valued at \$190,567 based upon the closing price of the common stock at the date of grant and reflecting the 1:1,500 reverse stock split.

During the year ended December 31, 2013, the Company issued 293,738 shares of common stock valued at \$1,212,105 for conversion or settlement of debt in the amount of \$648,554, resulting in a loss on debt settlement of \$563,551. All shares issued were valued based upon the closing price of the Company's common stock at the date of the debt settled. For all debts that were converted within the terms of the related promissory notes, no gain or loss was recorded. Any debts converted outside of the terms resulted in a gain or loss based on the fair value of the stock on the date of conversion.

During the year ended December 31, 2012, the Company issued 10,667 shares of common stock (post-split) for services that were expensed and valued at \$2,150,000 based upon the closing price of the Company's common stock at the date of grant.

During the year ended December 31, 2012, the Company issued 9,333 shares of common stock (post-split) as part of an acquisition of oil and gas leases. Due to the fact that the transaction occurred between related parties, the stock issued was recorded with a value of \$595,684.

During the year ended December 31, 2012, 47,334 shares of common stock (post-split) were returned to the Company and cancelled as the result of a release agreement in which prior shareholders withdrew from the Company.

During the year ended December 31, 2012, the company received a contribution from a shareholder of \$3,450 in cash.

4. Fixed Assets

The following is a detailed list of fixed assets:

	December 31, 2013	December 31, 2012
Well equipment	56,663	56,663
Accumulated depreciation	(31,300)	(21,002)
Fixed assets – net	<u>\$ 25,363</u>	<u>35,661</u>

Depreciation expense was \$10,298 and \$4,722 for the years ended December 31, 2013 and 2012, respectively.

5. Oil and Gas

Oil and gas related activity for the years ended December 31, 2012 and 2011 is as follows:

	For the Year Ended December 31, 2013	For the Year Ended December 31, 2012
Development costs paid in cash	\$ -	\$ 80,000
Purchases of oil and gas properties through the issuance of common stock and assumption of debt, net of accumulated depletion	-	1,011,343
Capitalized asset retirement obligations	<u>-</u>	<u>2,378</u>
Total purchase and development costs, oil and gas properties	<u>\$ -</u>	<u>\$ 1,093,721</u>
Oil and Gas Properties:	December 31, 2013	December 31, 2012
Oil and gas properties – proved reserves	\$ 958,157	\$ 962,987
Development costs	-	80,000
Accumulated depletion	<u>(157,665)</u>	<u>(150,754)</u>
Oil and gas properties – net	<u>\$ 800,341</u>	<u>\$ 892,233</u>

On July 31, 2012, the Company acquired a 37.5% working interest and 28.125% net revenue interest in oil and gas reserves of \$1,054,328 by issuing 14,000,000 shares of its common stock and assuming \$450,000 in liabilities. This interest is in the J.B. Tubb Leasehold Estate/Amoco Cawar field located in the Permian Basin in Ward County, Texas (“Tubb property”). See note 6 for additional details of this acquisition.

During the year ended December 31, 2013 and 2012, the Company impaired the oil and gas reserves in the amount of \$84,778 and \$147,795, respectively.

Depletion expense was \$7,114 and \$53,692 for the year ended December 31, 2013 and 2012, respectively.

The company paid \$nil and \$80,000 in development costs during the year ended December 31, 2013 and 2012 to bring additional reserves into production.

6. Acquisition of interest in oil and gas property

- **Acquisition of 37.5% Oil and Gas Working Interests in the J.B. Tubb Leasehold Estate/Amoco Crawar Field, Ward County, Texas**

On July 31, 2012 the Company, acquired assets of Energy Producers, Inc., a wholly owned subsidiary of EGPI Firecreek, Inc., ("EPT") as described in the preliminary Assignment and Bill of Sale and summarily as follows: Under the terms of the agreement, which shall be effective July 31, 2012, the Company acquired a 37.5% Working Interest and 28.125% corresponding Net Revenue Interest in the North 40 acres of the J.B. Tubb Leasehold Estate/Amoco Crawar field and oil and gas interests, including all related assets, fixtures, equipment, three well heads, three well bores, and pro rata oil & gas revenue and reserves for all depths below the surface to 8500 ft. The field is located in the Permian Basin and the Crawar Field in Ward County, Texas (12 miles west of Monahans & 30 miles west of Odessa in West Texas). Included in the transaction, the Company will also acquire 37.5% Working Interest and 28.125% corresponding Net Revenue Interest in the Highland Production Company No. 2 well-bore located in the South 40 acres of the J.B. Tubb Leasehold Estate/Amoco Crawar field, oil and gas interests, pro rata oil & gas revenues and reserves with depth of ownership 4700 ft. to 4900 ft. As consideration for the transaction the Company agreed to authorize, issue and sell to EGPI Firecreek, Inc. 14,000,000 shares of common stock, and assumption of \$450,000 in related debt. The acquired leases and the property to which they relate are identified below:

North 40 acres: J.B. TUBB "18-1", being the W1/2 of the NW1/4 of Section 18, Block B-20, Public School Lands, Ward County, Texas, containing Forty (North 40) acres only (also listed as Exhibit "A" to Exhibit 10.1 in our Current Report on Form 8-K filed on March 7, 2011, incorporated herein by reference.

Well-bore located on South 40 acres: The Highland Production Company (Crawar) #2 well-bore, API No. 42-475-33611, located on the J.B. Tubb Lease in W 1/2 of the NW 1/4 of Sec. 18, Block B-20, Public School Lands, Ward County, Texas at 1787 FNL and 853 FWL being on the South Forty (40) acres of the J. B. Tubb Lease, Ward County, Texas.

The following wells are located on the leases identified, above:

1. Crawar #1
2. Tubb #18-1
3. Highland Production Company(Crawar) #2 well-bore only, with depth of ownership 4700' to 4900' ft. in well bore, described as: The Highland Production Company (Crawar) #2 well-bore, API No. 42-475-33611, located on the J.B. Tubb Lease in W 1/2 of the NW 1/4 of Sec. 18, Block B-20, Public School Lands, Ward County, Texas at 1787 FNL and 853 FWL being on the South Forty (40) acres of the J. B. Tubb Lease, Ward County, Texas.

Listing for the Equipment items related to the wells on the leases on the J.B. Tubb Leasehold Estate (RRC #33611) Amoco/ Crawar field are as follows:

The following is the current & present equipment list that Mondial Ventures, Inc. will acquire 37.5% ownership rights, on the J.B. Tubb property: 2 (Two) 500 barrels metal tanks, 1(One) 500 barrel cement salt water tank- (open top), 1 (One) heater treater/oil & gas separator, all flow lines, on the north forty acres, well-heads, 2 (two) Christmas tree valve systems on well-heads, 3 (Three) well heads, three wells (well-bores). Model 320D Pumpjack Serial No. E98371M/456604, One (1) Fiberglass lined heater-treater, One (1) Test pot, Tubing string Rods and down hole pump.

Due to the fact that EGPI Firecreek, Inc. and Mondial Ventures, Inc. are considered related parties, the acquired assets were recorded at historical cost in the financial statements with no step up in basis. The total gross cost of oil and gas properties recorded on the date of the acquisition was \$1,109,572, as well as an accumulated depletion of \$98,230. Total fixed assets that were acquired with the purchase of the oil and gas property are discussed in Note 5 and consist of a total gross cost of \$56,663 and an accumulated depreciation of \$16,055. The consideration given consisted of 14,000,000 shares of common stock valued at \$595,684 and assumed debt of \$450,000.

7. Income Tax Provision

Deferred income tax assets and liabilities consist of the following at December 31, 2012 and 2013:

	2013	2012
Deferred Tax asset	372,442	\$ 142,568
Valuation allowance	(372,442)	(142,568)
Net deferred tax assets	-	-

The Company estimates that it has an NOL carry forward of approximately \$1,064,121 that begins to expire in 2023.

After evaluating any potential tax consequence from our former subsidiary and our own potential tax uncertainties, the Company has

determined that there are no material uncertain tax positions that have a greater than 50% likelihood of reversal if the Company were to be audited. The Company believes that it is current with all payroll and other statutory taxes. Our tax return for the years ended December 31, 2010 to December 31, 2013 may be subject to IRS audit.

8. Related Party Transactions

Through December 31, 2012 the CEO of Mondial Ventures, Inc provided office space for the Company's Scottsdale office free of charge. As of January 1, 2013, a lease was signed for the same premises at a monthly rate of \$2,000. There was a balance due on this contract of \$8,105 at December 31, 2013.

The Company has a Service Agreement with Global Media Network USA, Inc. a company 100% owned by Dennis Alexander, to provide the services of Dennis Alexander to the Company at a monthly rate of \$5,000. The monthly rate was increased to \$10,000 as of October 1, 2013. There was a balance due on this contract of \$1,800 at December 31, 2013.

The Company has a service Agreement with Joanne M. Sylvanus, Accountant, a company owned 100% by Joanne M, Sylvanus, to provide her services to the Company at a rate of \$3,000 per month. There was a balance due on this contract of \$6,000 at December 31, 2013.

As of December 31, 2013, the Company's CEO, Dennis Alexander, paid \$53 on behalf of the Company for business related expenses.

On November 20, 2013, the Company received cash proceeds of \$15,000 from related party for debt obligation which bears interest at the rate of 6%. No payments were made during the period and there is \$101 in accrued interest on the note. A debt discount of \$7,424 was recorded due to embedded derivative feature in the convertible promissory note. Total debt discount amortization for the period was \$834. This note is convertible into a number of shares by dividing the principal and interest owed by 50% of the average lowest three day trading prices over the 10 trading days prior to the conversion date. Financing costs of \$10,000 were paid in conjunction with this debt. These fees are amortized over the term of the loan and a total of \$1,123 was amortized as of December 31, 2013.

As discussed in Note 6, EGPI Firecreek, Inc. sold a 37.5% working interest to the Company in the J.B. Tubb Leasehold Estate/Amoco Crawar Field on July 31, 2012. The assets were recorded by the Company at historical cost and there was no step up in basis.

9. Notes Payable

At December 31, 2013 the Company was liable on the following Promissory notes

(See notes below to the accompanying table)

Date of Obligation	Notes	Date Obligation Matures	Interest Rate (%)	Balance Due 12/31/2013 (\$)
2/8/2011	1	5/9/2011	24	20,000
4/28/2011	1	7/27/2011	24	-
8/4/2011	2	8/4/2012	24	175,000
8/1/2012	3	On demand	18*	120,297
12/17/2012	4	9/19/2013	8	-
8/31/2012	5	8/31/2013	10	100,000
1/11/2013	6	1/11/2014	12	-
1/11/2013	7	1/11/2014	12	17,870
2/30/2013	8	11/13/2013	6	-
1/30/2013	9	11/1/2013	8	-
3/27/2013	10	On demand	n/a	11,300
4/1/2013	5	3/31/2014	10	22,000
5/20/2013	11	3/20/2014	12	30,000
4/18/2013	12	12/18/2013	6	25,000
5/22/2013	13	11/22/2013	12	27,300
5/30/2013	14	2/28/2014	12	-
6/19/2013	15	10/19/2013	18*	15,903
5/30/2013	16	2/28/2014	12	50,000
Various	17	On demand	18*	12,687
5/21/2013	18	2/28/2014	12	-
8/1/2013	19	5/5/2014	8	27,500
8/14/2013	20	5/14/2014	8	22,000
8/21/2013	13	8/21/2014	12	29,500
8/23/2013	21	2/23/2014	n/a	25,000
8/26/2013	11	3/16/2014	12	29,517
8/30/2013	11	8/30/2014	12	25,000
9/30/2013	22	7/2/2014	8	32,500
11/20/2013	23	11/20/2014	6	15,000
12/3/2013	24	12/3/2014	12	21,000
4/26/2013	25	4/1/2014	n/a	200,000
Total				758,071
Unamortized discount				(144,332)
Net				910,042

*compounded monthly

Note 1: The Company entered into two note agreements with an unrelated third party for the amount of \$20,000 and \$25,000 during fiscal year 2011. During the year ended December 31, 2013, the Company entered into an agreement with the note holder to settle one of the note agreements in the amount of \$25,000 with Company's common shares. As of December 31, 2013 the promissory note of \$20,000, bearing interest at 24% annually remained outstanding. No payment was made for this note during the period and there was \$13,545 in accrued interest on the note. The note is at default as of December 31, 2013.

Note 2: As of December 31, 2013 the Company had promissory notes outstanding in the amount of \$175,000, bearing interest 24% annually. No payment was made for this note during the period and there was \$122,412 in accrued interest on the note. The note is at default as of December 31, 2013.

Note 3: The Company entered into a promissory note agreement in the amount of \$450,000 in 2012. On March 29, 2013, the Company entered into an agreement with the note holder to pay \$300,000 of the note with 2,857,152 shares of common stock. On May 20, 2013, May 30, 2013, August 29, 2013 and December 3, 2013 note holder entered into debt assignment agreements to assign \$30,000, \$120,000, \$42,000 and 21,000 interests to unrelated third parties respectively. On September 3, 2013, the note holder paid \$5,250 on behalf of the Company for business related expenses. On December 3, 2013, the Company assumed an additional \$86,000 of debt in relation to an amendment agreement related to acquisition of the Tubb leases in July 2012. As of December 31, 2013, unpaid compounded interest in the amount of \$92,047 was reclassified from accrued interest to note payable due to note holder. The note is due on demand as of December 31, 2013.

Note 4: The Company received cash proceed of \$27,500 for this convertible debt obligation during fiscal year 2012. This note is convertible into a number of shares by dividing the principal and interest owed by the greater of \$0.00005 or 45% of the average lowest 3 trading prices over the 20 days prior to the conversion date. During the year ended December 31, 2013, note holder has enforced a penalty of \$13,750 onto the Company, and the Company settled entire debt and unpaid accrued interest by issuing common stock yielding a balance of \$nil as of December 31, 2013. A debt discount was recorded for \$27,500 based on the fact that there was a beneficial conversion feature in the convertible promissory note. Entire debt discount was fully amortized at conversion of the debt. On May 20, 2013, the Company issued convertible notes with embedded derivative features that were classified as derivative liabilities. These notes causes a tainted equity environment; therefore this convertible note was classified as derivative liabilities as of May 20, 2013. The Company evaluated the derivative liabilities and debt discount related to this note as of May 20, 2013. As the note was fully discounted, debt discount due to derivative liabilities in the amount of \$58,833 was recorded as loss on derivative as of December 31, 2013.

Note 5: During fiscal year 2012 Company entered into a non interest bearing note in the amount of \$100,000 with 10% interest expenses embedded in the note amount. No payment was made to this note during the year ended December 31, 2013 and 2012. The 10% interest discount is being amortized over the life of the loan. Debt discount amortization for the year ended December 31, 2013 totaled to \$6,658 for this note. This note is at default as of December 31, 2013. On April 1, 2013, the Company entered into a second note agreement with the same party in the amount of \$22,000 with the same terms. No payments were made during the year ended December 31, 2013. The 10% interest discount is being amortized over the life of the note. Debt discount amortization for the year ended December 31, 2013 totaled to \$1,511 for this note.

Note 6: During the year ended December 31, 2013, the Company received cash proceeds of \$5,000 for this convertible debt obligation which bears interest at the rate of 12%. This note is convertible into a number of shares by dividing the principal and interest owed by 30% of the average lowest trading price during a 15 day trading period prior to the date of conversion. During the 3rd quarter of current year, the Company settled entire debt by issuing common stock yielding a balance of \$nil as of December 31, 2013. A debt discount was recorded for \$5,000 based on the fact that there was a beneficial conversion feature in the convertible promissory note. Entire debt discount was fully amortized at conversion of the debt. On May 20, 2013, the Company issued convertible notes with embedded derivative features that were classified as derivative liabilities. These notes causes a tainted equity environment; therefore this convertible note was classified as derivative liabilities as of May 20, 2013. The Company evaluated the derivative liabilities and debt discount related to this note on May 20, 2013. As the note was fully discounted, debt discount due to derivative liabilities in the amount of \$13,699 was recorded as loss on derivative as of December 31, 2013.

Note 7: During the year ended December 31, 2013, the Company received cash proceeds of \$35,000 for this debt obligation which bears interest at the rate of 12%. The Company settled \$17,130 in debt for common stock, yielding a balance of \$17,870 at the end of the period, and there is \$2,725 in accrued interest on the note. A debt discount was recorded for \$35,000 based on the fact that there was a beneficial conversion feature in the promissory note. Total debt discount amortization for the period was \$34,461. This note is convertible into a number of shares by dividing the principal and interest owed by 30% of the average lowest trading prices over the 15 days prior to the conversion date. On May 20, 2013, the Company issued convertible notes with embedded derivative features that were classified as derivative liabilities. These notes cause a tainted equity environment; therefore this convertible note was classified as derivative liabilities as of May 20, 2013. The Company evaluated the derivative liabilities and debt discount related to this note on May 20, 2013. As the note was fully discounted, debt discount due to derivative liabilities in the amount of \$95,769 was recorded as loss on derivative as of December 31, 2013. Financing costs of \$6,050 were paid in conjunction with this debt. These fees are amortized over the term of the loan and was fully amortized as of December 31, 2013.

Note 8: During the year ended December 31, 2013, the Company received cash proceeds from promissory notes in the amount of \$12,500 and \$19,000, each bears interest at the rate of 6% respectively, from a note holder. On August 14, 2013, the Company signed a debt exchange agreement to amend one of the original notes in the amount of \$19,000 to a convertible promissory note. This convertible promissory note allows note holder to convert outstanding balance to common stock at 25% of the Company's common stock's closing price on conversion date. In addition, on August 14, 2013, note holder entered into debt assignment agreements to assign \$12,500 interest of the other original note to unrelated third party. The Company then, on the same day, signed a convertible promissory note agreement with the assignee for the interest being assigned. This convertible note bears 8% annual interest, and it is convertible into common at \$0.00125 per share. During the 3rd quarter of current year, the Company settled both convertible notes by issuing common stock, yielding a balance of \$nil. The Company evaluated the derivative liabilities related to the two convertible notes. Debt discount of \$19,000 and \$12,500, and loss on derivative of \$20 and \$13 was recorded respectively due to embedded derivative feature of the convertible promissory note. Entire debt discount of the notes were fully amortized at conversion and debt paid in full as of December 31, 2013.

Note 9: During the year ended December 31, 2013, the Company received cash proceeds of \$27,500 for this debt obligation which bears interest at the rate of 8%. This note is convertible into a number of shares by dividing the principal and interest owed by the greater of \$0.00005 or 45% of the average lowest 3 trading prices over the 20 days prior to the conversion date. During the year ended December 31, 2013, note holder has enforced a penalty of \$13,750 onto the Company, and the Company settled entire debt and unpaid accrued interest by issuing common stock yielding a balance of \$nil as of December 31, 2013. A debt discount was recorded for \$27,500 based on the fact that there was a beneficial conversion feature in the promissory note. Entire debt discount was fully amortized at conversion as of December 31, 2013. On May 20, 2013, the Company issued convertible notes with embedded derivative features that were classified as derivative liabilities. These notes causes a tainted equity environment; therefore this convertible note was classified as derivative liabilities as of May 20, 2013. The Company evaluated the derivative liabilities and debt discount related to this note on May 20, 2013. As the note was fully discounted, debt discount due to derivative liabilities in the amount of \$39,078 was recorded as loss on derivative as of December 31, 2013. Financing costs of \$2,500 were paid in conjunction with this debt. These fees are amortized over the term of the loan and the loan was paid in full as of December 31, 2013.

Note 10: During the year ended December 31, 2013, the Company received cash advances of \$11,300 related to a debt obligation. The note bears no interest; therefore, Company imputed interest at 12% and recorded imputed interest in the amount of \$2,400 for the year ended December 31, 2013 as additional paid in capital. No payments were made during the period.

Note 11: On May 20, 2013, one of the note holders assigned debt in the amount of \$30,000 to unrelated third party, and Company issued a convertible promissory note to this unrelated party for the debt assigned with 12% annual interest. On the same date, the Company issued a convertible note to this unrelated third party for cash proceed of \$30,000 received. Both notes are convertible into a number of shares at a discount of 50% off the lowest intra-day trading prices during the 10 days prior to the conversion date. The Company evaluated the note and determined that the shares issuable pursuant to the conversion option were indeterminate and therefore this conversion option and all other dilutive securities would be classified as a derivative liability as of May 20, 2013. Debt discount of \$30,000 for each convertible note was recorded due to embedded derivative feature, and a loss on derivative valuation of \$4,541 for each convertible note was also recorded as of December 31, 2013. During the 3rd quarter of current year, the Company settled one of the \$30,000 convertible notes and its related accrued interest by issuing common stock, yielding a balance of \$30,000 at the period end. Total debt discount amortization for both notes for the period was \$52,204. There is accrued interest of \$2,206 for the year ended December 31, 2013 on remaining balance. On August 26, 2013, one of the note holders assigned debt in the amount of \$42,000 to this same unrelated third party, and Company issued a convertible promissory note for the debt assigned with 12% annual interests. This convertible note has the same conversion terms as those previously issued to this unrelated third party. A debt discount of \$42,000 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$11,035 was recorded as of December 31, 2013. During the 3rd quarter of current year, the Company settled \$12,483 of this note by issuing common stock, yielding balance of \$29,517. No payments were made in the 4th quarter. Total debt discount amortization on this note for the period was \$31,041. There is accrued interest of \$1,264 on this note for the year ended December 31, 2013. On August 30, 2013, the Company received cash proceeds in the amount of \$25,000 related to a convertible debt obligation with the same unrelated third party. This convertible note has the same conversion terms as those previously issued to this unrelated third party. A debt discount of \$25,000 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$5,026 was recorded as of December 31, 2013. Total debt discount amortization for the period was \$8,425. No payments were made during the year ended December 31, 2013 and there is accrued interest of \$975 on this note.

Note 12: During the year ended December 31, the Company received cash proceeds of \$25,000 for this debt obligation which bears interest at the rate of 6%. No payments were made during the year ended December 31, 2013, and there is accrued interest of \$3,873 on the note. A debt discount was recorded for \$25,000 based on the fact that there was a beneficial conversion feature in the promissory note. Total debt discount was fully amortized as of December 31, 2013. This note is convertible into a number of shares arrived at by dividing the principal and interest owed by 50% of the average lowest 3 trading prices over the 20 days prior to the conversion date. On May 20, 2013, the Company issued convertible notes with embedded derivative features that were classified as derivative liabilities. These notes causes a tainted equity environment; therefore this convertible note was classified as derivative liabilities as of May 20, 2013. The Company evaluated the derivative liabilities and debt discount related to this note on May 20, 2013. As the note was fully discounted, debt discount due to derivative liabilities in the amount of \$25,461 was recorded as loss on derivative as of December 31, 2013. This note is at default as of December 31, 2013.

Note 13: On May 22, 2013, the Company received cash advances of \$25,000 against a reserved note of \$275,000. Outstanding principal

amount included cash proceed of \$25,000, 10% of original interest discount of \$2,500, and financing cost of \$2,000. The note bears annual interest of 12%. During the year ended December 31, 2013, the Company settled \$2,200 in debt for common stock, yielding a balance of \$27,300 at the end of the period, and there is \$3,540 in accrued interest on the note. This note is convertible into a number of shares equal to the dollar conversion amount divided by the lesser of \$0.10 or 60% of the lowest trading price in the 25 trading days prior to conversion. The conversion option becomes effective immediately after the effective date of the note. The Company evaluated the note and determined that the shares issuable pursuant to the conversion option were indeterminate and therefore this conversion option and all other dilutive securities would be classified as a derivative liability as of May 22, 2013. A debt discount of \$26,137 was recorded due to embedded derivative feature in the convertible promissory note. For the year ended December 31, 2013, the Company recorded debt discount amortization of \$16,842, original interest discount amortization of \$1,884, and amortization of financing cost of \$1,167 for this note. In addition, on August 21, 2013, the Company received another convertible note in the amount of \$25,000 against the reserved note of \$275,000 from the same unrelated third party. Outstanding principal of this note included cash proceed of \$25,000, 10% of original interest discount of \$2,500, and financing cost of \$2,000. This note has the same conversion and interest term as that previously issued to the same party. No payments were made during the period and there is accrued interest of \$3,540 on the note. A debt discount of \$29,500 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$9,369 was recorded as of December 31, 2013. For the year ended December 31, 2013, the Company recorded debt discount amortization of \$10,668, original interest discount amortization of \$904, and amortization of financing costs of \$719 for this note.

Note 14: On May 30, 2013, one of the note holders assigned debt in the amount of \$120,000 to unrelated third party, and Company issued a convertible promissory note to this unrelated party for the debt assigned with 12% annual interest. This note is convertible into a number of shares at a discount of 50% of the lowest intra-day trading price during the five trading days immediately prior to conversion date. The Company evaluated the note and determined that the shares issuable pursuant to the conversion option were indeterminate and therefore this conversion option and all other dilutive securities would be classified as a derivative liability as of May 30, 2013. A debt discount of \$120,000 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$10,385 was recorded as of December 31, 2013. The Company settled entire outstanding debt and unpaid interest in common stock, yielding balance of \$nil as of December 31, 2013. The debt discount was fully amortized at conversion of the debt.

Note 15: As of December 31, 2013 the Company had a note outstanding of \$12,000 for this debt obligation which bears interest at the rate of 18% compounded monthly. No payments were made during the period and there is accrued interest of \$3,903 on the note. Accrued interest was reclassified to principal owed as of December 31, 2013. This note is at default as of December 31, 2013.

Note 16: On May 30, 2013, the Company received cash proceeds of \$50,000 for this debt obligation which bears interest at the rate of 12%. This note is convertible into a number of shares arrived at by dividing the principal and interest owed by 50% of the average lowest trading prices over the 5 days prior to the conversion date. The Company evaluated the note and determined that the shares issuable pursuant to the conversion option were indeterminate and therefore this conversion option and all other dilutive securities would be classified as a derivative liability as of May 30, 2013. A debt discount of \$50,000 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$5,652 was recorded as of December 31, 2013. Total debt discount amortization for the period was \$39,234. In relation to the cash advances, financing costs of \$2,500 were paid in conjunction with this debt. These fees are amortized over the term of the loan and a total of \$1,944 was amortized as of December 31, 2013. There is accrued interest of \$3,500 as of December 31, 2013 for this note.

Note 17: During the year ended December 31, 2013 we had received cash proceeds from an unrelated third party for the aggregate amount of \$11,500, which is payable in principal and interest with rates of 18% compounded monthly. No payments were made in the period. Accrued interest in the amount of \$1,187 for the period was reclassified to principal owed as of December 31, 2013.

Note 18: On May 21, 2013, the Company received cash proceeds of \$7,780 for this debt obligation which bears interest at the rate of 12%. This note is convertible into a number of shares arrived at by dividing the principal and interest owed by 45% of average of three (3) lowest trading closing bid price during the 20 days prior to conversion. The Company evaluated the note and determined that the shares issuable pursuant to the conversion option were indeterminate and therefore this conversion option and all other dilutive securities would be classified as a derivative liability as of May 21, 2013. A debt discount of \$7,780 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$3,188 was recorded as of December 31, 2013. The Company settled entire outstanding debt and unpaid interest in common stock, yielding balance of \$nil as of December 31, 2013. The debt discount was fully amortized at conversion of the debt.

Note 19: On August 1, 2013, the Company received cash proceeds of \$27,500 for this debt obligation which bears interest at the rate of 8%. No payments were made during the period and there is \$917 in accrued interest on the note. A debt discount of \$13,624 was recorded due to embedded derivative feature in the convertible promissory note. Total debt discount amortization for the period was \$10,482. This note is convertible into a number of shares by dividing the principal and interest owed by 45% of the average lowest three day trading prices over the 20 days prior to the conversion date. This conversion option does not become effective until 180 days after issuance of the note. Financing costs of \$2,500 were paid in conjunction with this debt. These fees are amortized over the term of the loan and a total of \$1,389 was amortized as of December 31, 2013.

Note 20: On August 14, 2013, the Company received cash proceeds of \$22,000 for this convertible debt obligation which bears interest at the rate of 8%. No payments were made during the period and there is \$688 in accrued interest on the note. This note is convertible into a number of shares by dividing the principal and interest owed by 50% of the average lowest three day trading prices over the 10 days prior to the conversion date. A debt discount of \$22,000 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$1,407 was recorded as of December 31, 2013. Total debt discount amortization for the period was \$11,201. Financing costs of \$2,000 were paid in conjunction with this debt. These fees are amortized over the term of the loan and a total of \$1,000 was amortized as of December 31, 2013.

Note 21: On August 23, 2013, the Company received cash proceeds of \$25,000 for this convertible debt obligation that has a cash redemption premium of 125%. No payments were made during the period. This note is convertible into a number of shares by dividing the principal by 50% of the average of the three lowest trades over the 10 days prior to the conversion date. This convertible note bears no interest; therefore, the Company imputed interest at 12%, and recorded imputed interest of \$1,068 for the year ended December 31, 2013 as additional paid in capital. A debt discount of \$25,000 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$7,178 was recorded as of December 31, 2013. Total debt discount amortization for the period was \$17,663.

Note 22: On September 30, 2013, the Company received cash proceeds of \$32,500 for this debt obligation which bears interest at the rate of 8%. No payments were made during the period and there is \$651 in accrued interest on the note. A debt discount of \$32,500 was recorded due to embedded derivative feature in the convertible promissory note, and a loss on derivative valuation of \$9,967 was recorded as of December 31, 2013. Total debt discount amortization for the period was \$10,873. This note is convertible into a number of shares by dividing the principal and interest owed by 45% of the average lowest three day trading prices over the 20 days prior to the conversion date. This conversion option does not become effective until 180 days after issuance of the note. Financing costs of \$2,500 were paid in conjunction with this debt. These fees are amortized over the term of the loan and a total of \$883 was amortized as of December 31, 2013.

Note 23: On November 20, 2013, the Company received cash proceeds of \$15,000 from related party for debt obligation which bears interest at the rate of 6%. No payments were made during the period and there is \$101 in accrued interest on the note. A debt discount of \$7,424 was recorded due to embedded derivative feature in the convertible promissory note as of December 31, 2013. Total debt discount amortization for the period was \$834. This note is convertible into a number of shares by dividing the principal and interest owed by 50% of the average lowest three day trading prices during the 10 trading days prior to the conversion date. Financing costs of \$10,000 were paid in conjunction with this debt. These fees are amortized over the term of the loan and a total of \$1,123 was amortized as of December 31, 2013.

Note 24: On December 3, 2013, one of the note holders assigned debt in the amount of \$21,000 to unrelated third party, and Company issued a convertible promissory note to this unrelated party for the debt assigned with 12% annual interest. The note is convertible into a number of shares at a discount of 50% of the average closing price for the Company's common stock during three trading days prior to the conversion date. The Company evaluated the note and determined that the shares issuable pursuant to the conversion option were indeterminate and therefore this conversion option and all other dilutive securities would be classified as a derivative liability. Debt discount of \$21,000 for the convertible note was recorded due to embedded derivative feature, and a loss on derivative valuation of \$2,191 for the convertible note was also recorded as of December 31, 2013. Total debt discount amortization for the note for the period was \$3,630. There is accrued interest of \$196 as of December 31, 2013 on outstanding balance.

Note 25: On April 26, 2013, the Company entered into an agreement to extend option with related party EGPI, Firecreek and its oil and gas properties operator. In the agreement, the Company acknowledged that related party, EGPI Firecreek, Inc. had outstanding balance in the amount of \$200,000 owed to Company's oil and gas properties operator, and agreed to assume the debt repaying obligation along with EGPI Firecreek. As of December 31, 2013, no payment was made. As the note agreement has no stated interest, the Company imputed interest at 12%, and recorded imputed interest of \$16,373 for the year ended December 31, 2013 as additional paid in capital.

10. Derivative Liabilities

The Company evaluated the conversion feature embedded in the convertible notes to determine if such conversion feature should be bifurcated from its host instrument and accounted for as a freestanding derivative. Due to the note not meeting the definition of a conventional debt instrument because it contained a diluted issuance provision, the convertible notes were accounted for in accordance with ASC 815. According to ASC 815, the derivatives associated with the convertible notes were recognized as a discount to the debt instrument, and the discount is being amortized over the life of the note and any excess of the derivative value over the note payable value is recognized as additional expense at issuance date.

Further, and in accordance with ASC 815, the embedded derivatives are revalued at each balance sheet date and marked to fair value with the corresponding adjustment as a "gain or loss on change in fair value of derivatives" in the consolidated statement of operations. As of December 31, 2013, the fair value of the embedded derivatives included on the accompanying consolidated balance sheet was \$220,131. During the twelve months period ended December 31, 2013, the Company recognized a loss on change in fair value of derivative liability totaling \$127,872. Key assumptions used in the valuation of derivative liabilities associated with the convertible notes at December 31, 2013 were as follows:

- The stock price would fluctuate with an annual volatility ranging from 300% to 324% based on the historical volatility for the company.
- An event of default would occur 5% of the time, increasing 1.00% per quarter to a maximum of 10%.
- Alternative financing for the convertible notes would be initially available to redeem the note 0% of the time and increase quarterly by 1% to a maximum of 20%.

- The monthly trading volume would average \$436,923 to \$505,545 and would increase at 1% per month.
- The variable conversion prices ranging from 25% to 60% of bid or close prices over 10 to 25 trading days have effective discount rates of 50.00% to 75.00%
- The holder would automatically convert at variable conversion prices ranging from 25% to 60% of bid or close prices over 10 to 25 trading days if the registration was effective and the company was not in default.
- Conversion price reset events are assumed every 3 months.

The Company classifies the fair value of these securities under level three of the fair value hierarchy of financial instruments. The fair value of the derivative liability was calculated using a lattice model that values the compound embedded derivatives based on a probability weighted discounted cash flow model. This model is based on future projections of the various potential outcomes. The embedded derivatives that were analyzed and incorporated into the model included the conversion feature with the full ratchet reset, and the redemption options.

The components of the derivative liability on the Company's balance sheet at December 31, 2013 and December 31, 2012 are as follows:

	December 31, 2013	December 31, 2012
Embedded conversion features - convertible promissory notes	\$ 220,131	\$ -
	<u>\$ 220,131</u>	<u>\$ -</u>

The Company had the following changes in the derivative liability:

Balance at December 31, 2012	-
Issuance of securities with embedded derivatives	\$ 820,818
Debt conversion	(421,206)
Derivative (gain) or loss due to mark to market adjustment	(179,481)
Balance at December 31, 2013	<u>\$ 220,131</u>

11. Asset Retirement Obligation (ARO)

The ARO is recorded at fair value and accretion expense is recognized as the discounted liability is accreted to its expected settlement value. The fair value of the ARO liability is measured by using expected future cash outflows discounted at the Company's credit adjusted risk free interest rate.

Amounts incurred to settle plugging and abandonment obligations that are either less than or greater than amounts accrued are recorded as a gain or loss in current operations. Revisions to previous estimates, such as the estimated cost to plug a well or the estimated future economic life of a well, may require adjustments to the ARO and are capitalized as part of the costs of proved oil and natural gas property.

The following table is a reconciliation of the ARO liability for continuing operations for the twelve months ended December 31, 2013 and 2012:

	December 31, 2013	December 31, 2012
Asset retirement obligation at the beginning of period	\$ -	\$ -
Acquisition of oil and gas leases	5,114	8,644
Revisions to previous estimates	-	(3,860)
Dispositions	-	-
Accretion expense	667	330
Asset retirement obligation at the end of period	<u>\$ 5,781</u>	<u>\$ 5,114</u>

12. Concentrations and Risk

Customers

During the year ended December 31, 2013, revenue generated under the top two customers accounted for 100% of the Company's total revenue. Concentration with a single or a few customers may expose the Company to the risk of substantial losses if a single dominant customer stops conducting business with the Company. Moreover, the Company may be subject to the risks faced by these major customers to the extent that such risks impede such customers' ability to stay in business and make timely payments.

13. Contingencies

The Company has certain notes that may become convertible in the future and potentially result in dilution to our common shareholders.

14. Subsequent Events

In January 2014, the Company issued 9.875% convertible promissory notes to certain institutional or accredited investors in behalf of an assignment of debt in the amount of \$20,000 all due twelve (12) months from the date of issuance. The Company has no right for prepayment.

In January 2014, the Company issued 9.875% convertible promissory notes to certain institutional or accredited investors in behalf of a direct investment to the Company in the amount of \$12,500 all due twelve (12) months from the date of issuance. The Company has no right for prepayment.

In January 2014, the Company authorized a new Series C Preferred Stock having 31,500 votes per share on the election of our Directors and for all other purposes. The shares are voting only and do not convert to common stock. For the full summary of the rights, powers and preferences of the Series C preferred shares please see information set forth in the Certificate of Designations attached on Exhibit 3.1 of an 8-K, Item 5.03, filed on January 15, 2014, incorporated herein by reference.

In January 2014, the Company reported in its Current Report on Form 8-K filed on January 30, 2014, that the Financial Institution Regulatory Authority ("FINRA") approved our Reverse Stock Split to become effective on Friday, January 31, 2014 (the "Effective Date") on a 1:1500 basis. The new CUSIP number for this corporate action is 60921T205.

In January 2014 the Company entered into a Letter of Intent with Ben J. Taylor, Inc. ("Taylor") of Fort Worth, Texas. The plans if fully implemented will include the Company to join with Taylor in the development of the Third Bone Springs and Wolfcamp formations in the University 18-19A "No. 1" well at approximately 11,000 foot depth, located in Ward County, Texas. For additional information please see the Section in this Report on "Recent Developments" or Item 8.01 of our Current Report on Form 8-K filed on February 7, 2014.

In January 2014 the Company entered into a Letter of Intent with Firecreek Global, Inc. to drill two inside locations to the Ellenberger formation at 4500 ft. on its Jackson Lease in Callahan County, Texas, and other opportunities on the approximate 1,000+ acre oil and gas lease. For additional information please see the Section in this Report on "Recent Developments" or Item 8.01 of our Current Report on Form 8-K filed on February 7, 2014.

In February 2014, the Company reported that it entered into an Asset Purchase Agreement on January 21, 2014, by and among Shale Corp. a private corporation organized under the laws of the Ontario with its principal place of business located at 365 Bay St, Suite 400, Toronto On, M5H 2V1 ("SCorp" or "Purchaser"). This is for the purpose of establishing majority owned subsidiary operations to be consolidated with the Company to support its current and future oil and gas development plans for certain of its properties and interests existing before the transaction (for additional information please see our Form 8-K filed on February 7, 2014, incorporated herein by reference).

In February 2014, the Company issued 12% convertible promissory notes to certain institutional or accredited investors in behalf of an assignment of debt in the amount of \$21,000 all due in December 2014 unless otherwise mutually agreed for extension. The Company has the right to prepay, in whole or in part, at any time and from time to time, with premium and/or penalty, where parties to the promissory note have approved said premium or penalty in writing.

In February 2014, the Company issued 8% promissory notes to certain institutional or accredited investors in the amount of \$22,500 all due nine (9) months from the date of issuance. The Company has the right to repay within 180 days from the effectiveness of the note.

In February and March 2014, the Company issued certain restricted shares of its common stock. Please see information contained in our Form 8-K filed on April 3, 2014, incorporated herein by reference, and elsewhere listed in this Report in the Section titled "Recent Sales of Unregistered Securities".

In March 2014, the Company entered into a Modification and Extension to “Amended Participation Agreement” dated January 21, 2014. For further information please see Exhibit 10.1 to a Current Report on Form 8-K, filed on April 3, 2014, along with additional information contained in our Form 8-K and Exhibits 10.1, 10.2 and 10.3 filed on February 7, 2014.

In March 2014, the Company entered into a Second Amendment to Modification, Amendment, and Further Extension of the Agreement to Extend Option dated effective on December 31, 2013 between EGPI Firecreek, Inc. on behalf of itself and all of its wholly owned subsidiaries including, but not limited to, Energy Producers, Inc. (“EPI”), and the Company, which is amended to be by and through 2301840 Ontario Inc., a wholly owned subsidiary of Boomerang Oil, Inc. (formerly 0922337 BC LTD) (“Boomerang”), now a Majority owned subsidiary of the Company. For further information please see Exhibit 10.1 to a Current Report on Form 8-K, filed on April 3, 2014, along with additional information contained in our Form 8-K and Exhibits 10.1, 10.2 and 10.3 filed on February 7, 2014.

In March 2014, the Company issued 10% convertible promissory notes to certain institutional or accredited investors in behalf of an assignment of debt in the amount of \$7,500 all due twelve (12) months from the date of issuance. The Company has no right for prepayment.

In March 2014, the Company issued 10% convertible promissory notes to certain institutional or accredited investors in behalf of a direct investment to the Company in the amount of \$10,000 all due twelve (12) months from the date of issuance. The Company has no right for prepayment.

In March 2014, the Circuit Court in the Twelfth Judicial Circuit in and for Sarasota County, Florida (the “Court”), entered an Order Granting Approval of Settlement Agreement. The Settlement Agreement became effective and binding on March 21, 2014. For further information please see a Current Report on Form 8-K filed on March 31, 2014, incorporated herein by reference.

In April 2014, the Company issued 8% convertible promissory notes to certain institutional or accredited investors in the amount of \$8,000 all due nine (9) months from the date of issuance. The Company has the right to repay within 180 days from the effectiveness of the note.

Subsequent to year ended December 31, 2013 through April 9, 2014, the Company issued 11,300,000 common shares for services rendered.

Subsequent to year ended December 31, 2013 through April 9, 2014, the Company issued 1,092,134 common shares to reduce debt on convertible promissory notes.

Subsequent to year ended December 31, 2013 through April 9, 2014, the Company issued 475,000 common shares to reduce account payable balances.

Supplemental Oil and Gas Information (Unaudited)

Oil and Natural Gas Exploration and Production Activities

Oil and gas sales reflect the market prices of net production sold or transferred with appropriate adjustments for royalties, net profits interest, and other contractual provisions. Production expenses include lifting costs incurred to operate and maintain productive wells and related equipment including such costs as operating labor, repairs and maintenance, materials, supplies and fuel consumed. Production taxes include production and severance taxes. Depletion of oil and gas properties relates to capitalized costs incurred in acquisition, exploration, and development activities. Results of operations do not include interest expense and general corporate amounts. The results of operations for the company's oil and gas production activities are provided in the Company's related statements of operations.

Costs Incurred and Capitalized Costs

The costs incurred in oil and gas acquisition, exploration and development activities follow:

	Year Ended December 31,	
	2013	2012
Costs Incurred for the Year:		
Proved Property Acquisition	\$ -	\$ 1,109,572
Unproved Property Acquisition	-	-
Development Costs		80,000
Total	\$ -	\$ 1,189,572

Results of operations (All United States Based):

	2013	2012
Revenues	\$ 133,369	\$ 87,309
Production costs	110,961	73,613
Exploration costs	-	-
Impairment of oil and gas assets	84,778	147,795
Depreciation & amortization	18,079	58,969
Provision for income tax	-	-
Net profit (loss) from oil and gas producing activities:	\$ (80,449)	\$ (193,068)

Oil and Natural Gas Reserves and Related Financial Data

Information with respect to the Company's oil and gas producing activities is presented in the following tables. Reserve quantities, as well as certain information regarding future production and discounted cash flows, were determined by Harper Associates, Inc. independent petroleum consultants based on information provided by the Company.

Oil and Natural Gas Reserve Data

The following tables present the Company's independent petroleum consultants' estimates of its proved oil and gas reserves. The Company emphasizes that reserves are approximations and are expected to change as additional information becomes available. Reservoir engineering is a subjective process of estimating underground accumulations of oil and gas that cannot be measured in an exact way and the accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment.

	Natural Gas (MCF)	Oil (BLS)
Proved Developed and Undeveloped Reserves at December 31, 2012	758,063	116,483
Acquisitions of Proved Developed and Undeveloped Reserves	-	-
Revisions of Previous Estimates and Extensions, Discoveries and Other Additions	(10,889)	331
Production	(3,679)	(1,272)
Proved Developed and Undeveloped Reserves at December 31, 2013	743,495	115,542
Proved Developed Reserves at December 31, 2012	31,165	8,001
Proved Developed Reserves at December 31, 2013	16,597	7,060

Proved reserves are estimated quantities of oil and gas, which geological and engineering data indicate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. Proved developed reserves are proved reserves that can be expected to be recovered through existing wells with existing equipment and operating methods. Proved

undeveloped reserves are included for reserves for which there is a high degree of confidence in their recoverability and they are scheduled to be drilled within the next five years. The Company has elected to extend plans for a development program and has scheduled the program initially, to be reviewed in two years by management for the following reasons: i) The Company is new to the oil and gas field as an entity, and as an entity has had no or limited history raising substantial sums for oil and gas capital. Although management and related parties of the Company have had a previous record of generating financing for oil and gas development activities through other structured entities, and every entity having both similar and different characteristics than the Company, the present characteristics of the Company, including non DTC status, limited trading market and market cap., valuation, and other characteristics, could cause delay in financing efforts. These potential delays could take additional time to resolve and therefore the Company has elected to increase development timing until its next assessment to review its performance for the year ended 2015, ii) The Company considers volatility in the domestic and international oil and gas markets, foreign and domestic crisis, and then sometimes potential for sudden impact of these changes into consideration for additional delays in its current development plans. The ebb and flow of market demand and timing, oversupply, undersupply, investor perception and cautionary hold, are also key to this initial assessment.

Standardized Measure of Discounted Future Net Cash Inflows and Changes Therein

The following table presents a standardized measure of discounted future net cash flows relating to proved oil and gas reserves and the changes in standardized measure of discounted future net cash flows relating proved oil and gas were prepared in accordance with the provisions of ASC 932-235-555. Future cash inflows were computed by applying average prices of oil and gas for the last 12 months as of December 31, 2013 and current prices as of December 31, 2013 to estimated future production. Future production and development costs were computed by estimating the expenditures to be incurred in developing and producing the proved oil and gas reserves at the end of the year, based on year-end costs and assuming continuation of existing economic conditions. Future income tax expenses were calculated by applying appropriate year-end tax rates to future pretax cash flows relating to proved oil and gas reserves, less the tax basis of properties involved and tax credits and loss carryforwards relating to oil and gas producing activities. Future net cash flows are discounted at the rate of 10% annually to derive the standardized measure of discounted future cash flows. Actual future cash inflows may vary considerably, and the standardized measure does not necessarily represent the fair value of the Company's oil and gas reserves.

	Year Ended December 31,	
	2013	2012
Future Cash Inflows	\$ 12,359,554	\$ 11,494,999
Future Production Costs	(2,123,044)	(2,003,127)
Future Development Costs	(3,141,562)	(3,132,187)
Future Net Cash Inflows	7,094,948	6,359,685
10% Annual Discount for Estimated Timing of Cash Flows	(4,096,573)	(3,490,847)
Standardized Measure of Discounted Future Net Cash Flows	\$ 2,998,375	\$ 2,868,838

The twelve month average prices for the year ended December 31, 2013 and 2012, and year-end spot prices at December 31, 2013 and 2012 were adjusted to reflect applicable transportation and quality differentials on a well-by-well basis to arrive at realized sales prices used to estimate the Company's reserves. The prices for the Company's reserve estimates were as follows:

	Natural Gas MCF	Oil Bbl
December 31, 2013 (Average)	\$ 3.56	\$ 92.25
December 31, 2012 (Average)	\$ 3.15	\$ 88.45

Costs Incurred In Oil and Gas Lease Acquisition, Exploration and Development Activities

Years ended December 31, 2013 and 2012

	Year Ended December 31,	
	2013	2012
Acquisition of Oil Leases:		
Proved	\$ -0-	\$ 1,109,572
Unproved	-0-	-0-
Exploration Costs	-0-	-0-
Development Costs	-0-	80,000
Total Costs Incurred	\$ -0-	\$ 1,189,572

Changes in the future net cash inflows discounted at 10% per annum follow:

	Year Ended December 31,	
	2013	2012
Beginning of Period	\$ 2,868,838	\$ -
Sales of Oil and Natural Gas Produced, Net of Production Costs	-744,638	-
Extensions and Discoveries	-	-

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Previously Estimated Development Cost Incurred During the Period	-(9,375)	-
Net Change of Prices and Production Costs	-(605,726)	-
Change in Future Development Costs	-	-
Revisions of Quantity and Timing Estimates	-	-
Accretion of Discount	-	-
Change in Income Taxes	-	-
Purchase of Reserves in Place	2,998,375	2,868,838
Other	-	-
End of Period	<u>\$ 2,998,375</u>	<u>\$ 2,868,838</u>

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

ITEM 9A(T). CONTROLS AND PROCEDURES

Evaluation of disclosure and controls and procedures:

Our President and Chief Financial Officer have evaluated the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of December 31, 2013. This evaluation was carried out under the supervision and with the participation of our management, including our principal executive officer and principal financial officer. Based on this evaluation, these officers have concluded that there are material weaknesses in our disclosure controls and procedures and they were not effective for the following reasons:

- In connection with the preparation of the Original Report, we identified a deficiency in our disclosure controls and procedures related to communication with the appropriate personnel involved with our 2013 audit. We are utilizing additional accounting consultants to assist us in improving our controls and procedures. We believe these measures will benefit us by reducing the likelihood of a similar event occurring in the future.
- Due to our relatively small size, we do not have segregation of duties which is a deficiency in our disclosure controls. We do not presently have the resources to cure this deficiency.

Management's Report on Internal Control Over Financial Reporting

Disclosure controls and procedures are our controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to our management, including principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Company's board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles and includes those policies and procedures that:

- * pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- * provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company; and
- * provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2013. In making this assessment, management used the criteria established in "Internal Control-Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based on this assessment, management believes that, as of December 31, 2013, the Company's internal control over financial reporting are not effective due to the material weaknesses noted on the previous page.

Management has not identified any change in our internal control over financial reporting that occurred during the fourth quarter ended December 31, 2013 and through the date of this report (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

ITEM 9B. OTHER INFORMATION

Effective March 24, 2014 by majority consent of the Mondial Ventures, Inc. (“MNVN” or the “Company”) shareholders of record at March 24, 2013 two (2) members were elected to the Company’s Board of Directors. The Directors shall hold their respective office until the Company’s Annual Meeting of Shareholders in 2015 or until their successors are duly elected and qualified. The members of the Company’s Board of Directors are as follows:

<u>Name</u>	<u>Age</u>	<u>Position(s) With Company</u>	<u>Position(s) Held Since</u>
Dennis R. Alexander	59	Director, Chairman	2012
Joanne M. Sylvanus	82	Director	2012

Effective March 24, 2014 by majority consent of the Mondial Ventures, Inc. (“MNVN” or the “Company”) directors of record at March 24, 2014 two (2) persons were elected as officers of the Company. The Officers shall hold their respective office until the Company’s Annual Meeting of Directors in 2015 or until their successors are duly elected and qualified. The Officers of the Company are as follows:

<u>Name</u>	<u>Age</u>	<u>Position(s) With Company</u>	<u>Position(s) Held Since</u>
Dennis R. Alexander	59	Chief Executive Officer, President	2012
Joanne M. Sylvanus	82	Chief Financial Officer, Treasurer, Secretary	2012

Board Meeting

While the Board of Directors had no regularly scheduled physical meetings held during fiscal 2013, the Board of Directors business was conducted via Consent(s) to Action in Lieu of Meeting, held Electronically, Telephonically, or In Person, (the “Consent(s)”). There were a total of twelve (12) consents obtained during fiscal 2013 and all members of the then Board of Directors attended at least 75% of all meetings held by the above listed Consent(s).

COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors does not have a standing Audit Committee and therefore presently the Board of Directors is the acting Audit Committee.

RATIFICATION OF APPOINTMENT OF AUDITORS

The Board of Directors has appointed M & K CPAS, PLLC, as the Company’s independent certified public accountants for the fiscal year ending December 31, 2013 and December 31, 2014.

There have been no disagreements between the Company and the Auditors during the term of its relationship.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, CORPORATE GOVERNANCE

The directors, executive officers and significant employees of the Company as of March 24, 2013 are as follows:

Name	Age	Position(s)	Position(s) Held Since
Dennis R. Alexander	59	Director and Chief Executive Officer and Chief Financial Officer	2012
Joanne M. Sylvanus	82	Chief Financial Officer, Treasurer, Secretary	2012

Term for Directors: In accordance with Article 9.2 of the Company's Bylaws: The members of the Board of Directors shall hold office until the first annual meeting of Stockholders and until their successors shall have been elected and qualified. At the first annual meeting of Stockholders and at each annual meeting thereafter the Stockholders shall elect Directors to hold office until the next succeeding annual meeting, except in the case of classification of the Directors. Each Director shall hold office for the term for which he is elected until his successor shall have been elected and qualified. The number of the directors may be fixed from time to time by resolution duly passed by our board. Our board has fixed the number of our directors at nine. Vacancies and newly created directorships resulting from any increase in the number of authorized directors may generally be filled by a majority of the directors then remaining in office. The directors elect officers annually.

We may employ additional management personnel, as our board of directors deems necessary. We have not identified or reached an agreement or understanding with any other individuals to serve in management positions, but do not anticipate any problem in employing qualified staff.

A description of the business experience during the past several years for our directors and executive officer is set forth below:

Dennis R. Alexander has served as Chairman, Director, CEO, and President of the Company since July 31, 2012. He has served as Chairman, CEO, and CFO of EGPI Firecreek, Inc. ("EGPI") and President and Director of its wholly owned subsidiary Energy Producers, Inc. ("EPI"), engaged in oil and natural gas exploration, production, and development. Since May 21, 2009, Mr. Alexander served as Chairman, President and Chief Financial Officer of EGPI and Firecreek Petroleum, Inc., ("FPI") which pursued oil and gas acquisitions internationally in certain Eurasian countries during the then trend up for oil. Since February 10, 2007 he has served as Chairman and Chief Financial Officer of EGPI and FPI since July 1, 2004 through February 9, 2007, having served as the President and Director of EGPI from May 18, 1999 to June 30, 2004. In September 1998 he was a founder, and from January 19, 1999 through its acquisition with EGPI served in various capacities as President and Director of Energy Producers Group, Inc., and was the original founding entity for EGPI and EPI. From April 1997 through March 1998 he served as CEO, Director, Consultant of Miner Communications, Inc., a media communications company. From April 26, 1997 through March, 1998 he was a director of Rockline, Inc., a private mining, resource company, and a founder of World Wide Bio Med, Inc., a private health-bio care, startup company. Since March 1996 to the present he has owned Global Media Network USA, Inc., which has included management consulting, advisory services. Mr. Alexander attended ASU studying Architecture from 1971 to 1974.

Joanne M. Sylvanus has served as a Director, and Chief Financial Officer of the Company since July 31, 2012 and additionally as Secretary and Treasurer since November 7, 2012. She has been engaged by EGPI Firecreek, Inc. ("EGPI") and its wholly owned subsidiary Energy Producers, Inc. ("EPI") which is in the business of oil and natural gas exploration, production, and development as an accounting and tax consultant since December 1999 and May 21, 1999 respectively. She is the owner and sole proprietor of J.M. Sylvanus Accounting, since May 1974, which prepares Corporate, Partnership, Trust, and Estate Tax Returns, acts as Conservator and Trustee for Estates and Trusts, and provides consulting on Financial and Tax matters. She held a Certified Public Accounting certificate from the State of Arizona from October 1972 until May 1996 when she formally retired her certificate. Over the years from 1974 until May 1996, she was the owner and sole proprietor of J.M. Sylvanus CPA which conducted certified audits for not-for-profit organizations, broker dealers, and mortgage bankers; provided tax planning and tax preparation services for business, trusts, and individuals, designed and installed business accounting systems, and sub-contracted those services with the Small Business Administration and Arizona Research Bureau. Ms. Sylvanus taught accounting at Phoenix College from 1974 through 1985. She graduated from Cleveland State University in 1970 with a B.A. in Accounting and a minor in Economics. She has served on the Board of The American Society of Women Accountants for eight years in every Board position except Secretary.

COMPLIANCE WITH SECTION 16(a) OF THE SECURITIES EXCHANGE ACT OF 1934

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's officers and directors, and persons who own more than ten percent of the Company's Common Stock, to file reports of ownership and changes in ownership with the Securities and Exchange Commission ("SEC"). Officers, directors and greater than ten percent stockholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file.

Based solely on current management's review of the copies of such forms received by it from former management, the Company believes that, during the year ended December 31, 2013, its officers, directors, and greater than ten-percent beneficial owners complied with all applicable filing requirements.

Code of Ethics

Our Code of Ethics historically is applicable to all employees, including our principal executive officer, principal financial officer, principal accounting officer, and persons performing similar functions. Our Code of Ethics is historically available at website at www.legacyathleticbrand.com. The Company intends to satisfy its disclosure requirements under Item 5.05(c) of Form 8-K, regarding an amendment to or waiver from a provision of its Code of Ethics by posting such information on our website at www.legacyathleticbrand.com. The Company intends to update its Code of Ethics within the second quarter of operations due to the recent changes in management and industry segment.

ITEM 11. EXECUTIVE COMPENSATION

The following tables summarize annual and long-term compensation paid to the Company's Chief Executive Officer and Chief Financial Officer for all services rendered to the Company and its subsidiaries during each of the last three fiscal years. The Company did not retain any employees and payments are made for services as available. Note: All other tables required to be reported have been omitted, as there has been no compensation awarded to, earned by or paid to any of the executives of the Company that is required to be reported other than what is stated below.

Summary Compensation Table 1/

Name and Principal Position	Year	Salary (\$)	Stock Awards (\$)	Option Awards (\$)	All Other Compensation (\$)
Dennis R. Alexander (2) / (*) Chairman, CEO, President	2013	n/a	n/a	-0-	75,000 (3)
	2012	n/a	250,000 (1)	-0-	25,000 (3)
	2011	n/a	n/a	-0-	-0-
Joanne M. Sylvanus (2) / (*)	2013	n/a	n/a	-0-	36,000(3)
	2012	n/a	n/a	-0-	9,000(3)
	2011	n/a	n/a	-0-	

(*) Please see "Certain Relationships and Related Transactions" for additional discussion on agreements with individual consulting firms.

(1) The balance of the amounts in the columns for 2012 for each of D.R. Alexander, represents value for shares of Common Restricted Stock received. For the named Executive, directly or indirectly owned or controlled by him, 5,000,000 shares were received having a value of \$250,000, but with a dual restrictive provision not to sell, hypothecate, or otherwise dispose of in any way for a period of 7 months from the date of issue creating a non or 0 value at December 31, 2012.

(2) D.R. Alexander and Joanne M. Sylvanus have been with the Company since July 31, 2012.

(3) Balance represented consulting fee for services rendered during the particular fiscal year.

Employee Pension, Profit Sharing or Other Retirement Plans

The Company does not have a defined benefit, pension plan, profit sharing, or other retirement plan.

Director Compensation

As of December 31, 2013 there were no compensation arrangements made for Directors, meetings of the Board of Directors, or travel and expense to and from meetings of the Board of Directors.

Employment Agreements

The Company does not currently have any employment agreements with its executive officers.

Note: At the effective time of the merger with Legacy in December 2010, we entered into an interim compensation agreement with GMFJ, LLC, a company owned by our then incoming CEO, Mr. Henry, pursuant to which Mr. Henry served as our Chairman and Chief Executive Officer. As of June 25, 2012 as part of the discontinuation of Legacy business and subsequent changeover to oil and gas industry segment, an escrow and various releases between shareholders of the Company were signed of which Mr. Henry as one of the releasing parties released all debts and or liabilities of any kind owing to him by the Company.

Indemnification of Directors and Officers

We intend to enter into indemnification agreements with each of our officers and directors providing for indemnification to the maximum extent permitted under Nevada law and we also intend to obtain directors and officers liability insurance on behalf of our directors and officers.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding the beneficial ownership of the Company's Securities by each person or group that is known by the Company to be the beneficial owner of more than five percent of its outstanding Securities, each director of the Company, each executive officer, and all directors and executive officers of the Company as a group as of April 9, 2014. Unless otherwise indicated, the company believes that the persons named in the table below, based on information furnished by such owners, have sole voting and investment power with respect to the Common Stock beneficially owned by them, where applicable.

Under securities laws, a person is considered to be the beneficial owner of securities owned by him (or certain persons whose ownership is attributed to him) and that can be acquired by him within 60 days from the date of this Form 10-K filing, including upon the exercise of options, warrants or convertible securities. The Company determined a beneficial owner's percentage ownership by assuming that options, warrants or convertible securities that are held by him, but not those held by any other person, and which are exercisable within 60 days of the date of this Form 10-K filing, have been exercised or converted.

The information in the following table is based on 13,201,872 shares of common and preferred stock issued and outstanding as of April 9, 2014.

Name and Address of		* Common Stock Beneficially		** Series C Voting Preferred	
Title of	Beneficial				
Class	Owner (1)	Owned	(%) Vote	Owned	(%) Vote
Common	Global Media Network USA, Inc. (2) c/o 6564 Smoke Tree Lane Scottsdale Arizona, 85253	3,334,042	22.75	50,000	**
Common	Steve Antebi (3) 10550 Fontenelle Way, Los Angeles, California, 90077	1,600,000	12.12		
Common	Joanne M. Sylvanus Revocable Trust (4) c/o 6564 Smoke Tree Lane Scottsdale Arizona, 85253	1,500,000	11.36	50,000	**
Common	Joseph M. Vazquez III (5) 5324 Pine Tree Drive Miami Beach, FL. 33140	1,000,000	7.57		
Common	David Roff (6) c/o 6564 Smoke Tree Lane Scottsdale Arizona, 85253	950,000	7.20		
Common	JAX Capital Growth, LLC (7) 70 Christopher Ct. Woodbury, NY 11797	733,884	5.55		
Common	All directors and officers including other persons or groups	8,786,418	66.55		

- (1) Beneficial ownership is determined in accordance with the rules of the SEC.
- (2) Global Media Network USA, Inc. is indirectly owned by Dennis R. Alexander, an Officer and Director and Shareholder of the Company, and is in common control with EGPI Firecreek, Inc. whereon Dennis Alexander via Global Media owns approximately 7.6% of EGPI which owns 9,333 shares of Mondial.
- (3) Steve Antebi is an Advisor and Shareholder of the Company, and is not an Officer or Director.
- (4) Mrs. Sylvanus, Joanne M. Sylvanus Revocable Trust, is a shareholder, a Director, CFO and Secretary of the Company.
- (5) Joseph M. Vazquez III is an Advisor and Consultant and not an Officer or Director of the Company.
- (6) David Roff is a Shareholder and not an Officer or Director of the Company.
- (7) JAX Capital Growth, LLC is a Business Advisor and Shareholder and not an Officer or Director of the Company.

***As indicated in the table above, our executive officers and directors and certain persons or entities beneficially own, in the aggregate, approximately 66.55 percent of our outstanding common stock and in addition certain officers and directors own shares of our Series C Preferred Stock with Super Voting characteristics carrying 31,500 votes per share owned. As a result these stockholders may, as a practical matter, be able to influence all matters requiring stockholder approval including the election of directors, merger or consolidation and the sale of all or substantially all of our assets. This concentration of ownership may delay, deter or prevent acts that would result in a change of control, which in turn could reduce the market price of our common stock.

Other than as stated herein, there are no arrangements or understandings, known to us, including any pledge by any person of our securities: i) The operation of which may at a subsequent date result in a change in control of the registrant; or ii) With respect to the election of directors or other matters.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Transactions with Executive Management; Fiscal Year Ended December 31, 2013, December 31, 2012, and December 31, 2011.

Please see “EXECUTIVE COMPENSATION” section of this document related to transactions in addition to those contained in this section including, consideration and other compensation for the following named executives: Dennis R. Alexander, Chairman, CEO, and Joanne M. Sylvanus, Director, Chief Financial Officer, Treasurer and Secretary.

Contracts

The Company has oral and month to month contracts with various entities (owned by related parties) to provide accounting, management, and other professional services.

Table 1

Entity	Related Party	Paid 2013	Accrued 2013
Global Media Network USA, Inc. *	Dennis R. Alexander (1)	\$ 73,200	\$ 1,800
Joanne M. Sylvanus **	Joanne M. Sylvanus (2)	\$ 30,000	\$ 6,000

* For 2013, the contract amounts paid to Global Media Network USA, Inc. were in the aggregate \$75,000 of which \$73,200 was paid against accruals. A contract month to month subject to adjustment is being charged at the rate of \$5,000 per month plus approved expenses thorough September 30, 2013 and increasing to \$10,000 plus approved expenses as of October 1, 2013.

** For 2013, the contract amounts paid to Joanne M. Sylvanus were in the aggregate \$36,000 of which \$30,000 was paid against accruals. A sub contract arrangement is in place on a month to month basis subject to adjustment is being charged at the rate of \$3,000 per month.

Table 2

Entity	Related Party	Paid 2012	Accrued 2012
Global Media Network USA, Inc. *	Dennis R. Alexander (1)	\$ 11,400	\$ 13,600
Joanne M. Sylvanus **	Joanne M. Sylvanus (2)	\$ 3,000	\$ 6,000

* For 2012, the contract amounts paid to Global Media Network USA, Inc. were in the aggregate \$25,000 of which \$11,400 was paid against accruals. A contract month to month subject to adjustment is being charged at the rate of \$5,000 per month plus approved expenses.

** For 2012, the contract amounts paid to Joanne M. Sylvanus were in the aggregate \$9,000 of which \$3,000 was paid against accruals. A sub contract arrangement is in place on a month to month basis subject to adjustment is being charged at the rate of \$3,000 per month.

- (1) Dennis R. Alexander, serves as Chairman, CEO, President and Director, and a shareholder of the Company.
- (2) Joanne M. Sylvanus, serves as Director, Chief Financial Officer, Secretary, Treasurer of the Company.

I. (*)(**) On March 1, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name	Date	Share Amount(***)	Type of Consideration	Fair Market Value of Consideration
Steven Antebi (1) 10550 Fontenelle Way, Los Angeles, California, 90077	3/1/14	1,600,000	Consultant/Advisory	\$ 100,000

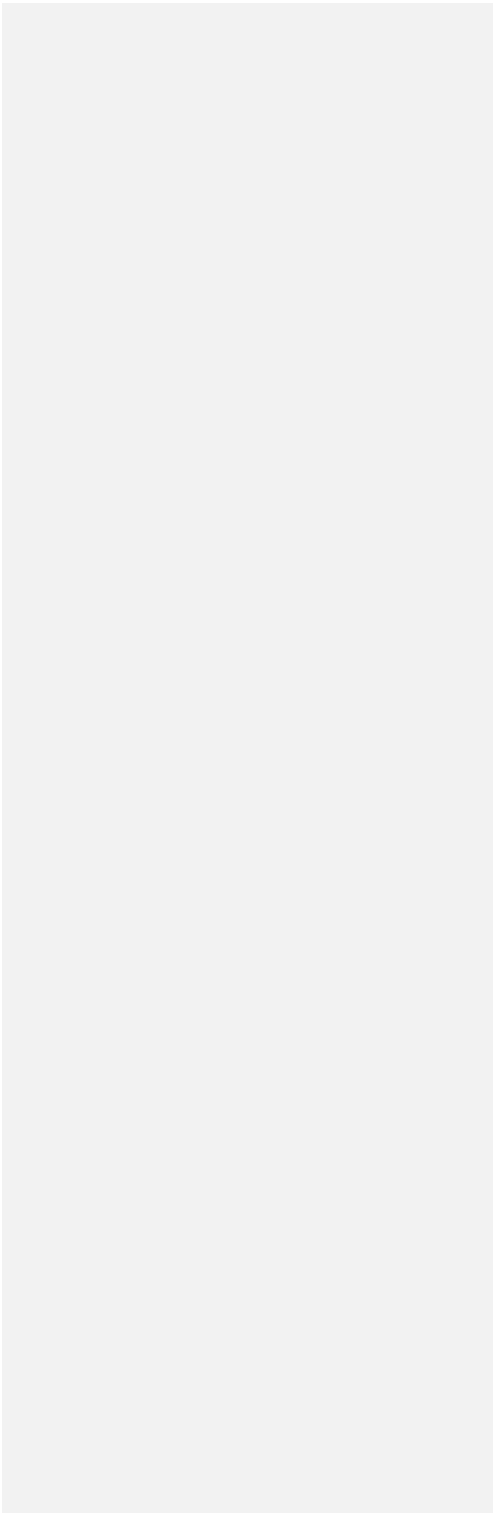
- (1) Steven Antebi provides other Business Consulting and advisory services, and is not currently a director, or officer of the Registrant.

(*) Issuances are approved, subject to such persons agreeing in writing to i) comply with applicable securities laws and regulations and make required disclosures; and ii) be solely and entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable.

(**) \$100,000 worth of common stock in the immediately preceding table was used primarily in consideration of services rendered to the Company.

(***) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities

Act of 1933, as amended (the “1933 Act”). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.



II. (*) (**) Effective February 11, 2014, by majority consent of the Board of Directors, the Company approved the following issuances of its restricted common stock in consideration of services rendered, including for and as incentive to continue to assist and provide services to the Company or its subsidiaries.

Name and Address	Date	Share Amount	Type of Consideration	Fair Market Value of Consideration
Global Media Network USA, Inc. (1) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	2/11/2014	3,000,000	For services rendered to the Company, and Subsidiaries and Incentive	\$ (**)
Joanne M. Sylvanus (2) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	2/11/2014	1,500,000	For services rendered to the Company, and Subsidiaries and Incentive	\$ (**)

(1) Global Media Network USA, Inc. is 100% owned by Dennis R. Alexander who provides day to day operational services and business consulting services to the Company, and is a shareholder, Chairman, director, and an officer of the Company.

(2) Joanne M. Sylvanus, for business and consulting, accounting, and advisory services; Mrs. Sylvanus is a shareholder, a director, and CFO and Secretary of the Company.

(*) Issuances are approved, subject to such persons agreeing in writing to i) comply with applicable securities laws and regulations and make required disclosures; and ii) be solely and entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable.

(**)The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of bonus for services rendered to the Company and/or one or more of its subsidiaries, and incentive.

(***) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

III. (i)(ii) On February 11, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for business consulting and advisory services rendered.

Name and Address	Date	Restricted Common Share Amt (iii)	Type of Consideration	Fair Market Value of Consideration
LPA Associates, AG. (1) 45 Seefeldstrasse, 8008 Zurich Switzerland	2/11/14	500,000	Business Consulting / Advisory services	\$ (**)
Ghiona Invest and Trade, Inc. (2) Morgan & Morgan Building Pasea Estate, Road Town, Tortola British Virgin Islands	2/11/14	500,000	Business Consulting / Advisory services	\$ (**)

David Roff (3) 20 Chicora Ave. Toronto, Ontario M5R 1T7 Canada	2/11/14	950,000	Business Consulting / Advisory services	\$	(**)
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- (1) LPA Associates, AG. fpr business consulting and advisory services. LPA Associates, AG. is a shareholder and is not a director or officer of the Company.
- (2) Ghiona Invest and Trade, Inc. fpr business consulting and advisory services. Ghiona Invest and Trade, Inc.. is a shareholder and is not a director or officer of the Company.
- (3) David Roff fpr business consulting and advisory services. David Roff is a shareholder and is not a director or officer of the Company.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of business consulting and advisory services.

(iii) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

IV. (i)(ii) On February 10, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name and Address	Date	Restricted Common Shares Amt (iii)	Type of Consideration	Fair Market Value of Consideration
Jeffrey M. Proper (1) 10645 n. Tatum blvd suite 200-652 Phoenix, Arizona 85028	2/10/14	250,000	Legal, Business Consulting and Advisory services	\$ (**)
Penny Proper (2) 10645 n. Tatum blvd suite 200-652 Phoenix, Arizona 85028	2/10/14	250,000	Legal, Business Consulting and Advisory services / By Directive of Mr. Proper	\$ (**)
Jeffrey M. Proper, PLLC (3) 10645 n. Tatum blvd suite 200-652 Phoenix, Arizona 85028	2/10/14	250,000	Legal, Business Consulting and Advisory services	\$ (**)
Stacy Huls (4) 10645 n. Tatum blvd suite 200-652 Phoenix, Arizona 85028	2/10/14	250,000	Legal, Business Consulting and Advisory services / By Directive of Mr. Proper	\$ (**)

- (1) Jeffrey M. Proper, for legal, business consulting and advisory services. Mr. Proper is a shareholder and is not a director or officer of the Company.
- (2) Penny Proper, as directed by Mr. Proper for or related to Jeff Proper legal, business consulting and advisory services. Penny Proper is a shareholder and is not a director or officer of the Company.
- (3) Jeffrey M. Proper, PLLC, for legal, business consulting and advisory services. Jeffrey M. Proper PLLC is a shareholder and is not a director or officer of the Company.
- (4) Stacy Huls, as directed by Mr. Proper for or related to Jeff Proper legal, business consulting and advisory services. Stacy Huls is a shareholder and is not a director or officer of the Company.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of legal, business consulting and advisory services or by directive for same by Mr. Proper.

(iii) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities

V. (*) (**) On February 6, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name	Date	Share Amount(***)	Type of Consideration	Fair Market Value of Consideration
Joseph M. Vazquez III (***)(1) 5324 Pine Tree Drive Miami Beach, FL. 33140	2/6/14	1,000,000	Business Consultant/Advisory	\$ (**)

(**)The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of business consulting and advisory services.

(***) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

VI. (i)(ii) On February 6, 2014, by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

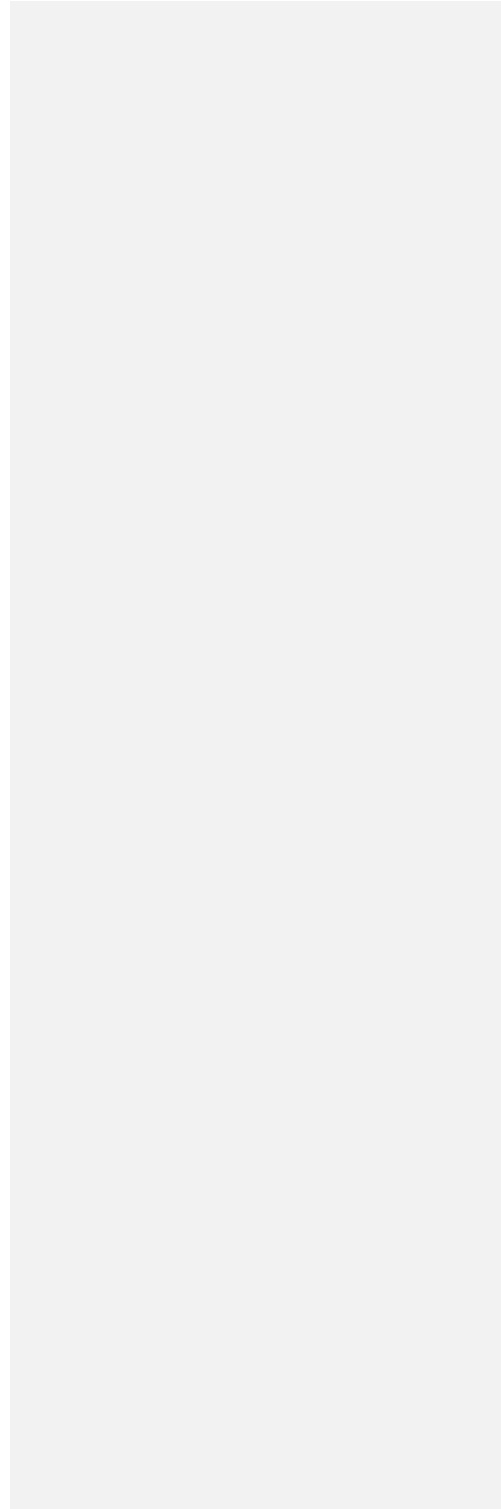
Name and Address	Date	Restricted Common Share Amt (iii)	Type of Consideration	Fair Market Value of Consideration
JAX Capital Growth LLC (1) 70 Christopher Ct. Woodbury, New York 11797	2/6/14	500,000	Business and Finance Consulting / Advisory services	\$ (**)
JMZ Alliance. Group, Inc. (2) 1108 Kane Concourse #206 Bay Harbor Islands, FL 33154	2/6/14	150,000	Business Consulting / Advisory services	\$ (**)
Infinite Growth Concepts, Inc. (3) 25 Pond Rd Woodbury NY 11797	2/6/14	150,000	Business Consulting / Advisory services	\$ (**)
FigCapital, LLC (4) 347 Fifth Avenue Suite 1402-212 New York, NY 10016	2/6/14	200,000	Business Finance Consulting / Advisory services	\$ (**)
Knightsbridge Law Co., Ltd (5) 3 Raffles Place #07-01 Bharat Building Singapore 048617	2/6/14	250,000	Business Finance Consulting / Advisory services	\$ (**)

- (1) JAX Capital Growth, LLC for business and finance consulting and advisory services rendered to the Company; JAX Capital Growth, LLC is a shareholder and is not a director or officer of the Company.
- (2) JMZ Alliance. Group, Inc., for business consulting and advisory services rendered to the Company; JMZ Alliance. Group, Inc is a shareholder and is not a director or officer of the Company.
- (3) Infinite Growth Concepts, Inc., for business consulting and advisory services rendered to the Company; Infinite Growth Concepts, Inc. is a shareholder and is not a director or officer of the Company.
- (4) FigCapital, LLC, for business finance consulting and advisory services rendered to the Company; FigCapital, LLC is a shareholder and is not a director or officer of the Company.
- (5) Knightsbridge Law Co., Ltd, for business finance consulting and advisory services rendered to the Company; Knightsbridge Law Co., Ltd, AG is a shareholder of the Company.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) The dollar amount for the financing proceeds in the immediately preceding table will need to also be verified or determined by independent valuation or by the Company's auditors as the last sale price prior to February 11, 2014 on January 30, 2014 was appx. \$0.1499 per share, and there was no closing sale price easily determinable on the date of issuance due a recent 1:1500 reverse stock split. The then determination will be for and in consideration of business consulting and or business finance consulting and advisory services.

(iii) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.



VII. (i) (ii) Effective January, 2014, by majority consent of the Board of Directors, the Company approved the following issuances of its Series C preferred stock, par value \$0.001 per share, to the following persons in consideration of services rendered, including for and as incentive to continue to assist and provide services to the Company or its subsidiaries.

Name and Address	Date	Series C Preferred Stock Share Amt	Type of Consideration	Fair Market Value of Consideration
(iii)(iv)				
Global Media Network USA, Inc. (1) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	1/14/2014	*50,000	For services rendered to the Company, and Subsidiaries and Incentive	\$ (Note 1)
Joanne M. Sylvanus (2) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	1/14/2014	**50,000	For services rendered to the Company, and Subsidiaries and Incentive	\$ (Note 1)

(1) Global Media Network USA, Inc. is 100% owned by Dennis R. Alexander who provides day to day operational services and business consulting services to the Company, and is a shareholder, Chairman, director, and an officer of the Company.

(2) Joanne M. Sylvanus, for business and consulting, accounting, and advisory services; Mrs. Sylvanus is a shareholder, a director, and CFO and Secretary of the Company.

(Note 1): Series C preferred stock: The Preferred C stock has a nominal value of \$.001 and no stated dividend rate and is non-participatory. The Series C has liquidation preference over common stock. Effective January 14, 2014 i) Voting Rights for each share of Series C Preferred Stock shall have 31,500 votes on the election of directors of the Company and for all other purposes, and, ii) regarding Conversion to Common Shares, Series C have no right to convert to common or any other series of authorized shares of the Company. We have only used a nominal par value for our listed valuation which is subject to further adjustment.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) All of the financing proceeds (see also Note 1) in the immediately preceding table was used as listed in the table above primarily in consideration of bonus for services rendered and or in exchange for accrued services rendered to the Company and/or one or more of its subsidiaries, and incentive.

(iii) Each share of Series C preferred stock shall have 31,500 votes on the election of our directors and for all other purposes.

(iv) The shares of Series C preferred stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

VIII. (*)(**) On November 7, 2012 by consent of the Board of Directors, the Registrant approved the following issuances of its restricted common stock, par value \$0.001 per share, to the following person for services rendered.

Name	Date	Share Amount(***)	Type of Consideration	Fair Market Value of Consideration
Steven Antebi (***)(***)(1) 10550 Fontenelle Way, Los Angeles, California, 90077	11/7/12	3,333	Consultant/Advisory	\$ 750,000

(1) Steven Antebi provides other Business Consulting and advisory services, and is not currently a director, or officer of the Registrant.

(*) Issuances are approved, subject to such persons agreeing in writing to i) comply with applicable securities laws and regulations and make required disclosures; and ii) be solely and entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable.

(**) \$750,000 worth of common stock in the immediately preceding table was used primarily in consideration of services rendered to the Company.

(***) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

(****) The shares are to be included for registration in a registration statement on a best efforts basis by the Registrant in accordance with the terms of agreement.

IX. (i)(ii) On July 31, 2012, based on approval of the then Board of Directors we completed an acquisition (settled by issuance of shares under a Share Purchase Agreement and Assignment and Bill of Sale Agreement) with Energy Producers, Inc., a wholly owned subsidiary of EGPI Firecreek, Inc. whose address is 6564 Smoke Tree Lane, Scottsdale, Arizona 85253. Pursuant to the Share Purchase Agreement and a Participation Agreement, Mondial has acquired working interests in various Oil and Gas assets from Energy Producers, Inc., a wholly owned subsidiary of EGPI Firecreek, Inc, effectively changing the business of Mondial to an Oil and Gas Company. Upon the closing of the Acquisition, the Company issued to EGPI Firecreek, Inc. 9,333 common shares (post-split) of Mondial common stock, par value \$.001 per share (the "Common Stock"). In addition, we issued 3,333 common shares (post-split) to assign the Share Purchase Agreement and 3,333 common shares (post-split) issued to new management, and 666 shares (post-split) for advisory services in connection with the transaction following the completion of the Acquisition, further as follows:

Name and Address	Date	Restricted Common Shares Amt (iii)	Type of Consideration	Fair Market Value of Consideration
JAX Capital Growth LLC (1) 70 Christopher Ct. Woodbury, New York 11797	7/31/12	667	Advisory services in connection with The Acquisition	\$ 50,000
EGPI Firecreek, Inc. (2) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	7/31/12	9,333	Part of the Acquisition Cost for Tubb Leasehold Interest	\$ 700,000

Global Media Network USA, Inc. (3) c/o 6564 Smoke Tree Lane Scottsdale, Arizona 85253	7/31/12	3,333	For services rendered to the Company in connection with the acquisition And incentive	\$	250,000
CUBO Energy, AG (4) Chaltenbodenstr 4A Schindellegi 8834 Switzerland	7/31/12	1,667	Assignment of Share Purchase Agreement	\$	125,000
LFA Associates, AG (5) 45 Seefeldstrasse Zurich 8008 Switzerland	7/31/12	1,667	Assignment of Share Purchase Agreement	\$	125,000

- (1) JAX Capital Growth, LLC for legal advisory services in connection with the Acquisition; JAX Capital Growth, LLC is a shareholder and is not a director or officer of the Company.
- (2) EGPI Firecreek, Inc., as part of the acquisition cost for the Tubb Leasehold Estate Oil and Gas interests; EGPI Firecreek, Inc. is a shareholder of the Company.
- (3) Global Media Network USA, Inc., for services rendered to the Company in connection with the acquisition and as an incentive; Global Media Network USA, Inc. is a shareholder of the Company and EGPI Firecreek, Inc. who is also a shareholder of the Company. Dennis Alexander who is CEO of the Company owns 100% of Global Media Network USA, Inc.
- (4) CUBO Energy, AG, for assignment of the Share Purchase Agreement. CUBO Energy, AG is a shareholder of the Company.
- (5) LFA Associates, AG, for assignment of the Share Purchase Agreement. LFA Associates, AG is a shareholder of the Company.

(i) Issuances are approved, subject to such persons being entirely responsible for their own personal, Federal, State, and or relevant single or multi jurisdictional income taxes, as applicable. Unless otherwise indicated, each person named in the table above has the sole voting and investment power with respect to his shares of our common and or preferred stock beneficially owned.

(ii) \$1,250,000 of the financing proceeds in the immediately preceding table was used as listed in the table above primarily in consideration of bonus for services rendered and or in exchange for accrued services rendered to the Company and/or one or more of its subsidiaries, and incentive.

(iii) Further restrictions are imposed on the common restricted share issuances such that it is agreed unless approved by the Board of Directors by its written consent, such shares issued to each and every person or entity shall not be hypothecated, sold, exchanged, or otherwise disposed of for a period of 7 months from the effective date of issuance which is August 27, 2012, but transfers to family members are allowed as gifts as long as these further restrictions are disclosed and followed.

(iii) The shares of common stock were issued pursuant to an exemption from registration as provided by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). All such certificates representing the shares issued by the Company shall bear the standard 1933 Act restrictive legend restricting resale.

In connection with the merger with Legacy in December 2010, the Company entered into the compensation agreement with Mr. Henry's consulting company to have Mr. Henry serve as our Chairman and Chief Executive Officer. In addition, Mr. Henry, as licensor, and Legacy Athletic Apparel LLC, as licensee, were parties to an Intellectual Property License Agreement dated as of October 25, 2010. We assumed the License Agreement in the merger. Under the License Agreement, the licensor grants to us the exclusive right to use the proprietary marks and other intellectual property, including the rights to the licensor's intent-to-use applications, covered by the License Agreement in connection with the specified licensed products, which includes the types of athletic-based lifestyle products we intend to market. The territory of the license includes designated regions throughout the World. However, if we do not have more than de minimis sales in a given region within 24 months of the date of the License Agreement, that region will no longer be part of the territory under the License and our rights with respect to that region will be terminated. Under the License Agreement, we are to pay to the licensor a royalty amount equal to 4% of the Net Sales up to \$5,000,000, 8% of Net Sales from \$5,000,001 to \$12,000,000 and 10% of Net Sales above \$12,000,000. "Net Sales" under the License Agreement means the gross sales to our customers, including related customers, of all products and services related to the licensed products, less only discounts, returns, allowances and chargebacks and uncollectible accounts up to 5% of all gross sales. The term of the license commenced on the date of the License Agreement and continues until terminated pursuant to its terms or December 31, 2028. As of June 25, 2012 as part of the discontinuation of Legacy business and subsequent changeover to oil and gas, an escrow and various releases between shareholders of the Company were signed of which Mr. Henry as one of the releasing parties released all debts and or liabilities of any kind owing to him by the Company.

In October 2012, 47,333 shares (post-split) of common stock were returned to the Company for cancellation by shareholders resulting from release agreements signed and collected by July 2, 2012, but effective as of June 25, 2012 whereas the then Board of Directors authorized for the return of shares from various parties of the release agreements to the Treasury of the Company. The cancellation of shares resulted from a debt assignment for \$150,000.

The Chief Executive Officer of the Company provided corporate office space through December 31, 2012 at no charge. There is a lease agreement in place for lease of the space beginning January 1, 2013 on a one year contract, renewable annually. The furnished lease with additional storage space is \$3,250 and is to be paid monthly.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The Audit Committee has reviewed and discussed the fees paid to M&K CPAS, PLLC for the reports covering fiscal 2013 and 2012 audits, audit-related, tax and other services.

The Audit Committee has reviewed and discussed the audited financial statements with the Company's management; and discussed with M&K CPA'S PLLC, independent auditors for the Company, the matters required to be discussed by Statement on Auditing Standards No. 61, Communication with Audit Committees, as amended.

Audit-Related Fees

M&K CPAS, PLLC did not bill us for any assurance or related services that were unrelated to the performance of the audit of the financial statements for the year ended 2013 or 2012.

Tax Fees

M&K CPA's PLLC has not provided any professional services for tax compliance, tax advice, and tax planning. Since The Company has prepared tax returns in house for 2013 or 2012.

Other Fees

No other fees were paid to M&K CPA's PLLC , for years ended 2013 or 2012.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

Exhibit No.	Description
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2.1	Agreement and Plan of Merger by and between Mondial Ventures, Inc., a Nevada corporation, and Legacy Athletic Apparel LLC., a Virginia limited liability company, dated as of December 14, 2010 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed December 31, 2010)
3.1	Articles of Incorporation of Mondial Ventures, Inc., a Nevada corporation, dated May 29, 2002.(incorporated by reference to Exhibit 3.1 on Form 10-K filed April 14, 2011)
3.2	Certificate of Amendment to Articles of Incorporation of Mondial Ventures, Inc., a Nevada corporation, dated December 1, 2010. (incorporated by reference to Exhibit 3.2 on Form 10-K filed April 14, 2011)
3.3	By-laws of Mondial Ventures, Inc., a Nevada corporation.(incorporated by reference to Exhibit 3.3 on Form 10-K filed April 14, 2011)
3.4	Certificate of Amendment to Articles of Incorporation of Mondial Ventures, Inc., a Nevada corporation, dated August 21, 2013 (incorporated by reference to Exhibit 3.1 on Form 8-K/A Amendment No. 1, filed September 12, 2013)
3.5	Certificate of Amendment to Articles of Incorporation of Mondial Ventures, Inc., a Nevada corporation, dated October 2, 2013 (incorporated by reference to Exhibit 3.1 on Form 8-K, filed October 11, 2013)
3.6	Certificate of Designation for Series C Preferred Stock of Mondial Ventures, Inc., a Nevada corporation, dated January 14, 2014 (incorporated by reference to Exhibit 3.1 on Form 8-K, filed January15, 2014)
4.1	Legacy Convertible Note issued to Rodney Henry (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed December 31, 2010)
10.1	Compensation Letter dated as of December 30, 2010 between the Registrant and Rodney Henry (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed December 31, 2010) ±
10.2	Intellectual Property License Agreement dated as of October 25, 2010 between Legacy Athletic Apparel LLC and Rodney Henry (incorporated by reference to Exhibit 10.2 to our Current Report on Form 8-K filed December 31, 2010)
10.3	Standard Form for Promissory Note for Mondial Ventures, Inc. .(incorporated by reference to Exhibit 10.3 on Form 10-K filed April 14, 2011)
10.4	Promissory Note between Mondial Ventures, Inc. and Gabriela Robaina dated January 24, 2011. (incorporated by reference to Exhibit 10.4 on Form 10-K filed April 14, 2011)
10.5	Entry into Mutual Release and Forgiveness of Debt Agreements with Rodney Henry, Rob Fiallo, and Jeff Sirianni and Completion of Acquisition, Securities Purchase Agreement, and Assignment and Bill of Sale with Participation Agreement, between the Company and Energy Producers, Inc., a subsidiary wholly owned of EGPI Firecreek, Inc., the Resignation of Rob Fiallo, Appointment of New Directors, Change of Control (incorporated by reference to our Current Report on Form 8-K and Exhibits, filed August 9, 2012)
10.6	Short Form Linear Agreement between the Company and Energy Producers, Inc. re staged in Acquisition of oil and gas interests located in Callahan, Stephens, and Shakelford Counties, West Central Texas dated October 30, 2012 and Advisory Agreement with Steven Antebi effective November 7, 2012 (incorporated by reference to our Current Report on Form 8-K/A Amendment No. 1, along with Exhibits 10.1 and 10.2, filed November 14, 2012 and as Amended on November 15, 2012)
10.7	Appointment of Officers and Directors of the Company dated March 24, 2013 (incorporated by reference to our Current Report on Form 8-K filed March 28, 2013)

10.8	Other Information of the Company dated August 15, 2013 (incorporated by reference to our Current Report on Form 8-K filed August 15, 2013)
10.9	Other Information of the Company regarding planned Reverse Stock Split dated January 14, 2014 (incorporated by reference to our Current Report on Form 8-K filed January 16, 2014)
10.1	Other Information of the Company regarding effective date set for Reverse Stock Split dated January 14, 2014 (incorporated by reference to our Current Report on Form 8-K filed January 30, 2014)
10.11	Other Information of the Company regarding website updating dated February 6, 2014 (incorporated by reference to our Current Report on Form 8-K filed February 6, 2014)
10.12	Asset Purchase Agreement between the Company and ShaleCorp; Omnibus Agreement between the Company, EPI, EGPI, TWL, and TJR; Modification, Amendment, and Further Extension of the “Agreement to Extend Option between the Company, EGPI, EPI, Success Oil” to the “Agreement to Further Extend Option”; Other Information dated December 31, 2013 (incorporated by reference to our Current Report on Form 8-K, along with Exhibits 10.1, 10.2, and 10.3 filed February 7, 2014)

10.13	Appointment of Officers and Directors of the Company dated March 24, 2014 (incorporated by reference to our Current Report on Form 8-K filed March 26, 2014)
10.14	Order Granting Approval of Settlement Agreement dated March 20, 2014 (incorporated by reference to our Current Report on Form 8-K, along with Exhibits 10.1 and 10.2 filed March 31, 2014)
10.15	Other Information of the Company regarding closing of “Three Cornered Amalgamation” between the Company and Shale Corp. dated December 31, 2013 (incorporated by reference to our Current Report on Form 8-K filed March 31, 2014)
10.16	Modification and Extension to the “Amended Participation Agreement” Dated Effective January 21, 2014 between the Company and ShaleCorp; Second Amendment To Modification, Amendment and Further Extension of the “Agreement To Extend Option” Dated Effective on December 31, 2013 (incorporated by reference to our Current Report on Form 8-K, along with Exhibits 10.1, and 10.2 filed April 3, 2014)
10.17	Recent Sales of Unregistered Securities dated February 6, 2014 (incorporated by reference to our Current Report on Form 8-K, filed April 3, 2014)
16.1	Letter re Change in our Certifying Accountant from Stan J.H. Lee (incorporated by reference to Exhibit 16.1 to our Current Report on Form 8-K filed November 2, 2012)
16.2	Letter re Change in our Certifying Accountant from Anton & Chia, LLP (incorporated by reference to Exhibit 16.1 to our Current Report on Form 8-K filed February 27, 2013)
17.1	Resignation of Marc Juliar from Mondial Ventures, Inc. (incorporated by reference to Exhibit 17.1 to our Current Report on Form 8-K filed December 31, 2010)
20.1	Statement regarding change in majority of directors and further regarding acquisition with Energy Producers, Inc. unit of EGPI Firecreek, Inc. (incorporated by reference to Form SC 14f-1 filed August 9, 2012)
23.1	Consent of Independent Registered Public Accounting Firm.*
31.1	Certification Pursuant to Rules 13(a)-14(a) and 15(d)-14(a) under the Securities Exchange Act of 1934, as amended, of the Chief Executive Officer, President and Chairman of the Board.*
31.2	Certification Pursuant to Rules 13(a)-14(a) and 15(d)-14(a) under the Securities Exchange Act of 1934, as amended, of the Chief Financial Officer and Treasurer.*
32.1	Certification Pursuant to 18 U.S.C. 1350 of the Chief Executive Officer and President.*
32.2	Certification Pursuant to 18 U.S.C. 1350 of the Chief Financial Officer and Treasurer.*
99.1	Annual Report on Form 10-K, for the fiscal year ended December 31, 2012, filed on May 29, 2013, Incorporated herein by reference.
101.INS	XBRL Instance**
101.XSD	XBRL Schema**
101.PRE	XBRL Presentation**
101.CAL	XBRL Calculation**
101.DEF	XBRL Definition**
101.LAB	XBRL Label**

± Indicates management contract or compensatory plan, contract or agreement.

* Filed herewith.

** Filed herewith electronically.

PART F/S FINANCIAL STATEMENTS

The financial statements of the Company as required by Item 310 of Regulation S-B are included in Part II, Item 8 of this report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on ~~April 10~~December 3, 2014 on its behalf by the undersigned, thereunto duly authorized.

MONDIAL VENTURES, INC.
(Registrant)

By: /s/ Dennis R. Alexander
Dennis R. Alexander
Chairman, CEO, President, and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Dennis R Alexander Dennis R Alexander	Chief Executive Officer, President and Chairman of the Board of Directors,	April 15 <u>December 3</u> , 2014
/s/ Joanne M. Sylvanus Joanne M. Sylvanus	Director, CFO, Treasurer, Secretary	April 15 <u>December 3</u> , 2014

HARPER & ASSOCIATES, INC.
6815 MANHATTAN BLVD., STE 201
FORT WORTH, TX 76120
817-457-9555
F 817-457-9569

March 18, 2014

To Whom It May Concern

As an independent engineering consultant, I hereby consent to the use of my report entitled "SEC Reserve Evaluation" located in Ward Counties, Texas as of December 31, 2013" dated April 18, 2014 and data extracted there from (and all references to my Firm) included in or made a part of this Form 10-K Annual Report to be filed on or about March 18, 2014.

Name: G. Michael Harper
Title: P.E., Consulting Engineer License Number 34481.

Signed: /s/ G. Michael Harper
Fort Worth, Texas

G. Michael Harper
President

CERTIFICATIONS

I, Dennis R. Alexander, Chief Executive Officer, President and Chairman of the Board, certify that:

1. I have reviewed this Annual Report on Form 10-K (the "Report") of MONDIAL VENTURES, INC. (the "Registrant");
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and I have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being provided;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function);
 - a) all significant deficiencies in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

By: /s/ Dennis R. Alexander
Dennis R. Alexander
Chief Executive Officer, President and Chairman of the Board

Date: April 15 December 3, 2014

CERTIFICATIONS

I, Joanne M. Sylvanus, Chief Financial Officer and Treasurer, certify that:

1. I have reviewed this Annual Report on Form 10-K (the "Report") of MONDIAL VENTURES, INC. (the "Registrant");
2. Based on my knowledge, this Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this Report;
3. Based on my knowledge, the financial statements, and other financial information included in this Report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this Report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and I have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being provided;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

By: /s/ Joanne M. Sylvanus
 Joanne M. Sylvanus
 Chief Financial Officer and Treasurer

Date: ~~April 15~~December 3, 2014

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of MONDIAL VENTURES, INC. (the "Registrant") on Form 10-K for the fiscal year ended December 31, 2013 as filed with the Securities and Exchange Commission on the date hereof, I, Dennis R. Alexander, Chief Executive Officer, President and Chairman of the Board, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge and belief:

- (1) The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Annual Report fairly presents, in all material respects, the financial condition and result of operations of the Registrant.

By: /s/ Dennis R. Alexander
 Dennis R. Alexander
 Chief Executive Officer, President and Chairman of the Board

Date: ~~April 15~~December 3, 2014

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of MONDIAL VENTURES, INC. (the "Registrant") on Form 10-K for the fiscal year ended December 31, 2013 as filed with the Securities and Exchange Commission on the date hereof, I, Joanne M. Sylvanus, Chief Financial Officer and Treasurer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge and belief:

- (1) The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Annual Report fairly presents, in all material respects, the financial condition and result of operations of the Registrant.

By: /s/ Joanne M. Sylvanus
 Joanne M. Sylvanus
 Chief Financial Officer and Treasurer

Date: ~~April 15~~December 3, 2014

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906 has been provided to the Registrant and will be retained by the Registrant and furnished to the Securities and Exchange Commission or its staff upon request.
