

Executive Summary

Sustainable technology

Wellfleet Energy is a new venture seeking to establish itself as the authority in clean, on-site power generation technology for the oil and gas industry. We intend to accomplish this by leasing cost-saving, green technology to oil and gas producers. Essentially a leasing and sales company, Wellfleet can help manufacturers of sustainable technology penetrate the oil and gas market by leveraging our thirty-nine years of oil and gas operations, sales and consulting experience.

39 Years experience

Growing Market

Wellfleet is headquartered in the Rocky Mountain region, with our target customers in the Bakken formation in North Dakota, and the DJ-Niobrara formation in Colorado. These two oil rich mineral deposits are being heavily developed, as 4,000 new wells per year are planned over the next fifteen years. The larger and more established of the two regions is the Bakken. The Niobrara is a newer area of exploration and is predicted to have similar reserves as the Bakken.

Leasing to a \$20 billion per year market

The installation of oil wells in the Bakken region is a multi-billion dollar industry. The average well in this area produces upwards of 500 barrels of oil per day. Natural gas is found in the same deposits, and during the process of extracting oil, a considerable amount of natural gas surfaces as an associated product. As natural gas at a well site is a potential risk, it is disposed in the following ways:

- Capture the gas and re-inject it into the ground as part of the production process
- Transfer the gas into a natural gas pipeline for sale downstream
- Dispose of the gas at the well site by flaring or venting it into the environment

Reduce Environmental Impact

In regions like the Bakken, the majority of the infrastructure is equipped to handle the downstream sales of oil, not natural gas. With no commercial viability for the gas, companies are allowed to flare unwanted gas at the well site. This cost-effective means of disposal has a major impact on the environment. Reports show 30% of natural gas produced in North Dakota is lost to flaring and venting.

Profits, not problems

The Bakken and DJ-Niobrara are located in rural areas and extending power to well sites is often difficult. The cost of extending power lines in the Bakken is \$250k per mile. Demand for service has been so high, local utility providers have waiting lists exceeding eight months. During this time producers typically rely on costly diesel generators to run wells to avoid lost revenue. Harsh winters, heavy construction and utility expansion also cause frequent disruptions to electrical service. Power service in these regions has long been a roadblock to profitability.

Make capital expenses into operational expenses

Wellfleet Energy leases a packaged solution that creates electricity from waste natural gas, turning problems into profits. Strategically priced between the cost of a monthly electric bill and the rent and fuel required to run a diesel generator, wells can produce an independent source of electricity and mitigate the costs and environmental damage from associated gas disposal. Furthermore, using Wellfleet's microturbine systems eliminates the need, capital investment and wait, of having local utility companies expand their services to the well site.

Same price, more benefit

We attribute slow adoption of this technology thus far to a lack of regional representation and an unwillingness to swap the capital expense of a microturbine, with the operational expense of electricity. Wellfleet Energy breaks these barriers by providing a point of contact and a leasing solution in these regions. Functioning as the sales, service and financing arm of our manufacturers, Wellfleet extends manufacturers' value chain into the oil and gas market.

Wellfleet views our microturbine solution as beneficial for both new and existing oil wells. Although we believe existing wells to be a viable market, for our pro-forma sales and financial projections, we limited our total available market to just reflect the 4,000 new wells in the region. Through informal surveys, we determined that 60%, or 2,400 wells, would fall into our serviceable market. Our projections are based on closing deals with .8% of the serviceable market each year.

Wellfleet is seeking an injection of \$500,000 to increase operations. This, in addition to the start-up capital of the principals will allow Wellfleet to stabilize operations as we increase the sales and marketing presence the company in our target regions. The additional capital will also be used to help secure and finance assets as we and place our first units.

Year 1

Sales	\$2.48 m
EBITDA	\$1.37 m
OCF	\$0.95 m
Change in Cash	\$0.47 m

Year 2

Sales	\$5.59 m
EBITDA	\$1.59 m
OCF	\$2.98 m
Change in Cash	\$3.67 m



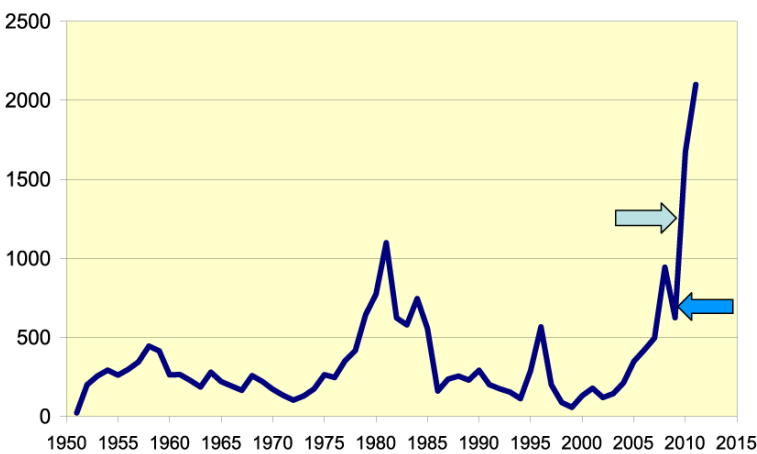
Wellfleet | Energy

Management Team **George Chedsey, P.E., CEO** Thirty-five years experience in the oil, gas and mining industries specializing in business development, M&A, sales and management. Mr. Chedsey has previously launched and sold two previous ventures.

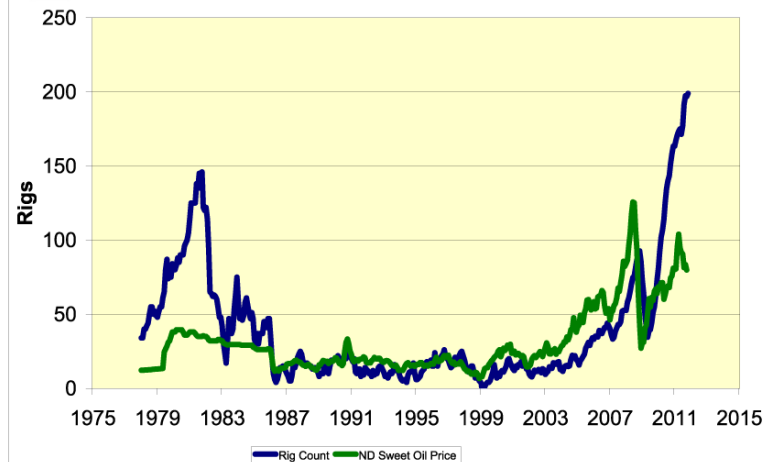
Jonathan Cusson, MBA, COO Twenty years experience as business leader, strategist and owner with 4 years as an IT Director in oil and gas. Mr. Cusson has broad consulting experience in professional services, technical and business engagements.

Market Overview The Rocky Mountain region is poised for continued expansion as advancements in technology have allowed new and expanded mineral reserves to be discovered. These discoveries, along with rising prices of domestic oil, have producers increasing their exploration efforts. Market analysis shows capital expenditures moving from natural gas and into oil interests.

North Dakota New Well Permits Issued

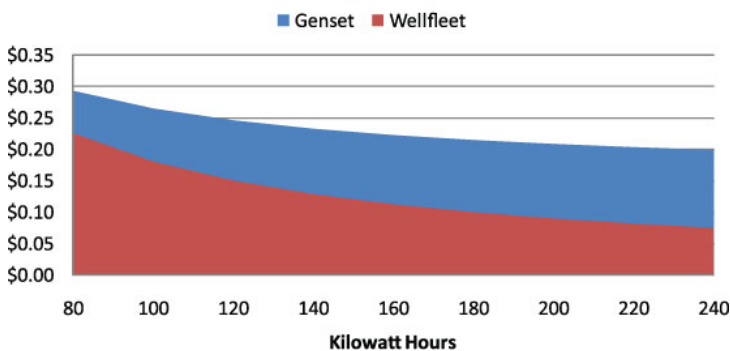


North Dakota Average Monthly Rig Count

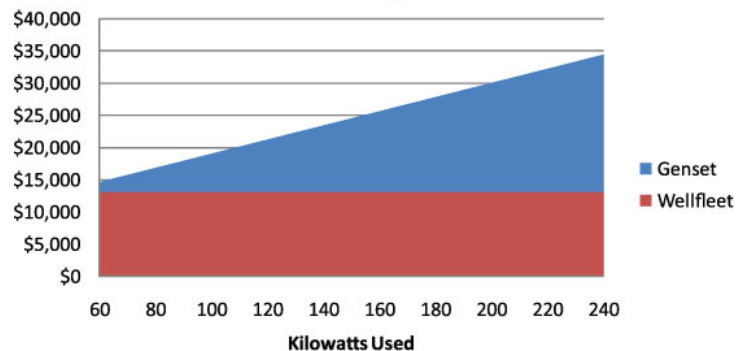


*Source: ND Dept of Mineral Resources

Cost per Kwh



Cost Kw Usage Scale



*Costs calculated vs. CAT C9 250kw running Lufkin 65HP motor and does not include labor, waste flare tax or royalty savings.

- Benefit**
- Wellfleet offers a lower cost per kilowatt vs. diesel generators. The variable cost of kw usage for a diesel engine (fuel consumption) increases with power output demand.
 - Wellfleet offers 250 kw at a fixed price, allowing site scalability at no additional costs.
 - "Triple Bottom Line" benefit: Economic, Ecological and Social. A truly sustainable solution.

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