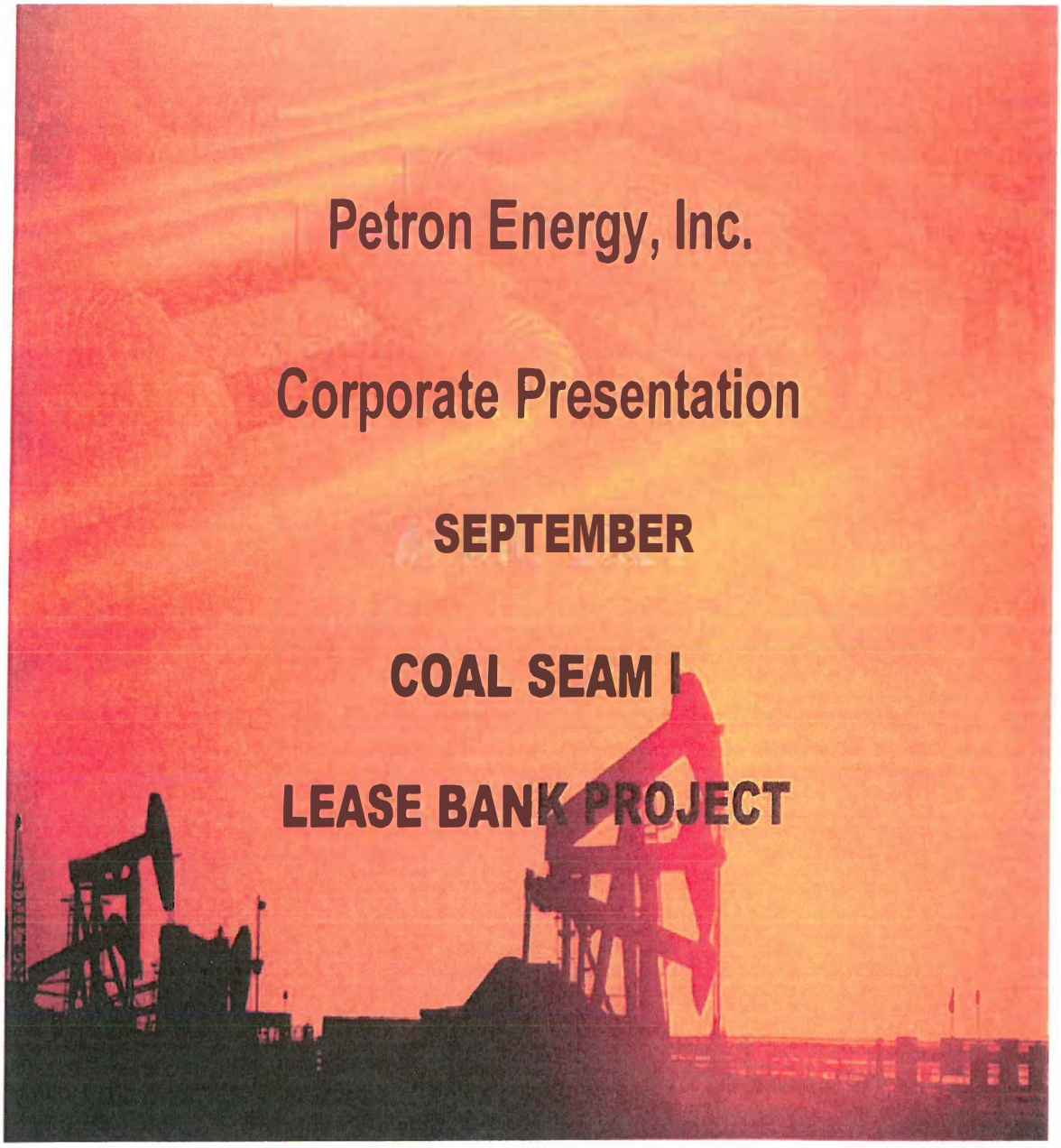

Petron Energy, Inc.
Corporate Presentation
SEPTEMBER
COAL SEAM I
LEASE BANK PROJECT

Notice Regarding Forward Looking Statements

- THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK AND IS SUITABLE ONLY FOR INVESTORS WITH SUBSTANTIAL MEANS WHO HAVE NO NEED FOR LIQUIDITY IN THEIR INVESTMENTS. NO ONE SHOULD INVEST IN THE SECURITIES WHO CANNOT AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

- IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF PETRON ENERGY, INC., A TEXAS CORPORATION AND ACQUISITION TARGETS IN THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

- THIS MEMORANDUM CONTAINS FORWARD LOOKING STATEMENTS CONCERNING PETRON ENERGY, INC. OR MANAGEMENT PLANS, INTENTIONS, STRATEGIES, EXPECTATIONS, PREDICTIONS AND BELIEFS CONCERNING PETRON ENERGY'S FUTURE ACTIVITIES AND RESULTS OF OPERATIONS AND OTHER FUTURE EVENTS OR CONDITIONS, ACTUAL RESULTS, EVENTS OR CONDITIONS COULD DIFFER, MATERIALLY FROM THOSE PROJECTED BY PETRON ENERGY, INC. DUE TO A VARIETY OF FACTORS, SOME OF WHICH ARE BEYOND THE CONTROL OF PETRON ENERGY, INC.

- NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (SEC OR COMMISSION) NOR ANY STATE SECURITIES ADMINITRATOR HAS APPROVED OR DISAPPROVED THE SECURITIES OFFERED HEREIN NOR HAS THE COMMISSION OR ANY STATE SECURITIES ADMINISTRATOR PASSED UPON THE ADEQUACY OR ACCURACY OF THE DISCLOSURES CONTAINED HEREIN OR THE MERITS OF AN INVESTMENT IN THE SECURITIES OFFERED HEREIN. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

- THE SECURITIES OFFERED HEREBY HAVENOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE ACT), OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED IN RELIANCE UPON CERTAIN EXEMPTIONS FROM REGISTRATION UNDER SUCH LAWS. SUCH EXEMPTIONS IMPOSE SUBSTANTIAL RESTRICTIONS ON THE SUBSEQUENT TRANSFER OR SECURITIES SUCH THAT AN INVESTOR HEREIN MAY NOT SUBSEQUENTLY RESELL THE SECURITIES OFFERED HEREIN UNLESS THE SECURITIES ARE SUBSEQUENTLY REGISTERED UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

Experienced Management

- **Floyd Smith - Chief Executive Officer & President**
  - **Mr. Smith is received his Bachelor of Art in Business Administration from Harding University and has 28 years of experience working in the oil and gas industry. Started Petron Energy, Inc. in 1998 and funded and drilled or reworked more than 100 wells in Texas, Louisiana and Oklahoma. Mr. Smith has worked in all phases of the oil and gas industry, operations, mid-stream, service and production. Mr. Smith is a member of the President's Council of Harding University.**

- **Jerry Line, Sr. – Partner and Field Manager**
  - **Mr. Line is the Field Manager for Petron and oversees all well service operations, pipeline operations and service. He has worked in all phases of the oil and gas industry, operations, mid-stream, service and production. Mr. Line has 43 years of experience in the oil and gas industry, primarily in Kansas and Oklahoma. From 1981 to the present, Mr. Line has drilled or reworked more than 200 wells.**

- **Bob Currier - Chief Financial Officer**
  - **Mr. Currier received his Bachelor of Art in Accounting from Washburn University and holds a CPA certificate and more than 43 years of experience both in the public accounting and corporate sectors. Since 1987, Mr. Currier has been involved with entrepreneurial ventures in industries ranging from medical to real estate to oil and gas. With these companies, he has been responsible for developing financial reporting systems, helping raise capital, implementing internal controls and budget preparation.**

- **Elizabeth Dickinson - Geology**
  - **Libbi received his Bachelor of Science in Geology from Oklahoma State University and his Masters in Geology from Oklahoma State University. Worked in varies positions in her 21-year career. Mr. Dickinson has extensive experience in Oklahoma. In addition, she performed geological evaluations, wellsite planning, mapping seismic planning, seismic oversight and seismic interpretation.**

PROJECT OVERVIEW

Our Project Objective

- **Petron Energy, Inc. is a licensed operator in the State of Oklahoma.**
- **The gross "Area of Interest" is 50,000 acres in Northeast Oklahoma (Tulsa and Wagoner County).**
- **The "area of interest" has approximately 3,298 existing wells.**
- **We will re-complete 500 existing wells on leases in the "Area of Interest".**
- **Primary Pay zones: There are 3 virgin Coal Seam gas pay zones that are identified in the "area of interest".**
- **Additional Natural Gas Zone: Woodford Shale**
- **Additional Oil and Natural Gas Zones: Dutcher, Burgen, Misner and Tyner**
- **We will re-complete these pay zones at an approximate depth of 600' - 1200'+/- per well.**
- **Petron Energy owns a 112.25-mile natural gas pipeline system which is the only transportation system to provide gas transportation service for all wells within the "area of interest" mentioned above. We have leverage!**

Our Turnkey Contract

- **The Petron Energy Coal Seam I Lease Bank will be offered under the terms of a turnkey agreement.**
- **All participating investors will receive: 1) Overriding Royalty Interest (ORRI) of (1.00, .50, .25% and .125%) based on their investment level; 2) an Assignment in the "Area of Interest".**
- **Investors should expect to receive their first cash distribution 3 months from the date of their initial investment.**
- **Investors monthly income will be generated from investors ORRI ownership in existing wells within the "Area of Interest".**

Our Exit Strategy Gameplan

- **Our Exit Strategy will involve the sale of all lease acreage, wells, natural gas production and the 112.25-mile natural gas pipeline system in 36 - 42 months. The Potential Pay Off to Investors is 7:1 ROI in this project based on a natural gas price of $2.70/mcf.**
- **Additional Upside is expected from the development of remaining oil reserves.**

R 14 E | R 15 E | R 16 E | R 17 E

T 18 N

T 17 N

1a&b = Barron
2a&b = Al Gerner Trust
3 = Gerner
4 = Edwards North
5 = Lenard
6 = Vernon
7 = Broach
8 = Victory
9 = Sally Howe Smith
10 = Woodruff
11 = Whitlock
12 = Hughes #1
13 = Hughes #2
14 = Gray
15 = Simon/Snyder
16 = Edwards South
17 = Edwards 160

PETRON ENERGY, INC.

BOOSTER STATION

PROPOSED BOOSTER STATION

Broken Line

MUSKOGEE TURNPIKE

COWETA

LEONARD

ARKANSAS RIVER

R 14 E | R 15 E | R 16 E | R 17 E

COAL SEAM I

TRADE OFFER SHEET

INVESTMENT AMT.	ORRI%	ROI EST. PAYMENTS
$125,000.00	1.00	$5,000/$100,000
$ 62,500.00	.50	$2,500/$50,000
$ 31,250.00	.25	$1,250/$25,000
$ 15,625.00	.125	$ 625/$12,500

TERMS:

- EACH INVESTOR WILL OWN AN ORRI (OVERRIDING ROYALTY INTEREST) IN ALL WELLS IN THE "AREA OF INTEREST".
- EACH INVESTOR WILL RECEIVE A RECORDED ASSIGNMENT FOR ALL LEASES IN THE "AREA OF INTEREST".
- INVESTORS PRINCIPAL RETURN WILL BE GENERATED FROM THE PRODUCTION OF EXISTING WELLS.
- INVESTORS INCOME WILL INCREASE AS MORE WELLS ARE RE-COMPLETED FOR GAS/OIL PRODUCTION AND PUT ONLINE.

PE PROJECTED CASH FLOW OF OVERRIDING ROYALTY

RETURN ON LEASE BANK COAL SEAM INVESTMENT
PARTICIPATION LEVEL: 1.00%

INVESTMENT	**$ 125,000**
REPAID **	(100,000)
RETURN ON CONTINGENCY	$ 25,000

****Est. payments made at the rate of $5,000 per month**

	10 Wells			30 Wells			50 Wells			100 Wells		
	Low	Medium	High	Low	Medium	High	Low	Medium	High	Low	Medium	High
MCF per Well	100	150	200	100	150	200	100	150	200	100	150	200
Total MCF per Day	1,000	1,500	2,000	3,000	4,500	6,000	5,000	7,500	10,000	10,000	15,000	20,000
Price per MCF	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70
Days per Month	30	30	30	30	30	30	30	30	30	30	30	30
Gross Revenue per Day	$ 2,700	$ 4,050	$ 5,400	$ 8,100	$ 12,150	$ 16,200	$ 13,500	$ 20,250	$ 27,000	$ 27,000	$ 40,500	$ 54,000
Gross Revenue per Month	$ 81,000	$ 121,500	$ 162,000	$ 243,000	$ 364,500	$ 486,000	$ 405,000	$ 607,500	$ 810,000	$ 810,000	$ 1,215,000	$ 1,620,000
Less Monthly Severance Tax (7%)	$ (5,670)	$ (8,505)	$ (11,340)	$ (17,010)	$ (25,515)	$ (34,020)	$ (28,350)	$ (42,525)	$ (56,700)	$ (56,700)	$ (85,050)	$ (113,400)
Net Revenue for Distribution	$ 75,330	$ 112,995	$ 150,660	$ 225,990	$ 338,985	$ 451,980	$ 376,650	$ 564,975	$ 753,300	$ 753,300	$ 1,129,950	$ 1,506,600
1% Override	$ 753	$ 1,130	$ 1,507	$ 2,260	$ 3,390	$ 4,520	$ 3,767	$ 5,650	$ 7,533	$ 7,533	$ 11,300	$ 15,066
Monthly Rate of Return	3.01%	4.52%	6.03%	9.04%	13.56%	18.08%	15.07%	22.60%	30.13%	30.13%	45.20%	60.26%
Annual Rate of Return	36.16%	54.24%	72.32%	108.48%	162.71%	216.95%	180.79%	271.19%	361.58%	361.58%	542.38%	723.17%

PE PROJECTED CASH FLOW OF OVERRIDING ROYALTY

RETURN ON LEASE BANK COAL SEAM INVESTMENT
PARTICIPATION LEVEL: .50%

INVESTMENT	**$ 62,500**
REPAID **	(50,000)
RETURN ON CONTINGENCY	$ 12,500

****Est. payments made at the rate of $2500 per month.**

	10 Wells			30 Wells			50 Wells			100 Wells		
	Low	Medium	High	Low	Medium	High	Low	Medium	High	Low	Medium	High
MCF per Well	100	150	200	100	150	200	100	150	200	100	150	200
Total MCF per Day	1,000	1,500	2,000	3,000	4,500	6,000	5,000	7,500	10,000	10,000	15,000	20,000
Price per MCF	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70
Days per Month	30	30	30	30	30	30	30	30	30	30	30	30
Gross Revenue per Day	$ 2,700	$ 4,050	$ 5,400	$ 8,100	$ 12,150	$ 16,200	$ 13,500	$ 20,250	$ 27,000	$ 27,000	$ 40,500	$ 54,000
Gross Revenue per Month	$ 81,000	$ 121,500	$ 162,000	$ 243,000	$ 364,500	$ 486,000	$ 405,000	$ 607,500	$ 810,000	$ 810,000	$ 1,215,000	$ 1,620,000
Less Monthly Severance Tax (7%)	$ (5,670)	$ (8,505)	$ (11,340)	$ (17,010)	$ (25,515)	$ (34,020)	$ (28,350)	$ (42,525)	$ (56,700)	$ (56,700)	$ (85,050)	$ (113,400)
Net Revenue for Distribution	$ 75,330	$ 112,995	$ 150,660	$ 225,990	$ 338,985	$ 451,980	$ 376,650	$ 564,975	$ 753,300	$ 753,300	$ 1,129,950	$ 1,506,600
.50% Override	$ 377	$ 565	$ 753	$ 1,130	$ 1,695	$ 2,260	$ 1,883	$ 2,825	$ 3,767	$ 3,767	$ 5,650	$ 7,533
Monthly Rate of Return	3.01%	4.52%	6.03%	9.04%	13.56%	18.08%	15.07%	22.60%	30.13%	30.13%	45.20%	60.26%
Annual Rate of Return	36.16%	54.24%	72.32%	108.48%	162.71%	216.95%	180.79%	271.19%	361.58%	361.58%	542.38%	723.17%

PE PROJECTED CASH FLOW OF OVERRIDING ROYALTY

RETURN ON LEASE BANK COAL SEAM INVESTMENT
PARTICIPATION LEVEL: .25%

INVESTMENT	**$ 31,250**
REPAID **	(25,000)
RETURN ON CONTINGENCY	$ 6,250

****Est. payments made at the rate of $1250 per month.**

	10 Wells			30 Wells			50 Wells			100 Wells		
	Low	Medium	High	Low	Medium	High	Low	Medium	High	Low	Medium	High
MCF per Well	100	150	200	100	150	200	100	150	200	100	150	200
Total MCF per Day	1,000	1,500	2,000	3,000	4,500	6,000	5,000	7,500	10,000	10,000	15,000	20,000
Price per MCF	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70
Days per Month	30	30	30	30	30	30	30	30	30	30	30	30
Gross Revenue per Day	$ 2,700	$ 4,050	$ 5,400	$ 8,100	$ 12,150	$ 16,200	$ 13,500	$ 20,250	$ 27,000	$ 27,000	$ 40,500	$ 54,000
Gross Revenue per Month	$ 81,000	$ 121,500	$ 162,000	$ 243,000	$ 364,500	$ 486,000	$ 405,000	$ 607,500	$ 810,000	$ 810,000	$ 1,215,000	$ 1,620,000
Less Monthly Severance Tax (7%)	$ (5,670)	$ (8,505)	$ (11,340)	$ (17,010)	$ (25,515)	$ (34,020)	$ (28,350)	$ (42,525)	$ (56,700)	$ (56,700)	$ (85,050)	$ (113,400)
Net Revenue for Distribution	$ 75,330	$ 112,995	$ 150,660	$ 225,990	$ 338,985	$ 451,980	$ 376,650	$ 564,975	$ 753,300	$ 753,300	$ 1,129,950	$ 1,506,600
.25% Override	$ 188	$ 282	$ 377	$ 565	$ 847	$ 1,130	$ 942	$ 1,412	$ 1,883	$ 1,883	$ 2,825	$ 3,767
Monthly Rate of Return	3.01%	4.52%	6.03%	9.04%	13.56%	18.08%	15.07%	22.60%	30.13%	30.13%	45.20%	60.26%
Annual Rate of Return	36.16%	54.24%	72.32%	108.48%	162.71%	216.95%	180.79%	271.19%	361.58%	361.58%	542.38%	723.17%

PE PROJECTED CASH FLOW OF OVERRIDING ROYALTY

RETURN ON LEASE BANK COAL SEAM INVESTMENT
PARTICIPATION LEVEL: .125%

INVESTMENT	**$ 15,625**
REPAID **	(12,500)
RETURN ON CONTINGENCY	$ 3,125

****Est. payments made at the rate of $625 per month.**

	10 Wells			30 Wells			50 Wells			100 Wells		
	Low	Medium	High	Low	Medium	High	Low	Medium	High	Low	Medium	High
MCF per Well	100	150	200	100	150	200	100	150	200	100	150	200
Total MCF per Day	1,000	1,500	2,000	3,000	4,500	6,000	5,000	7,500	10,000	10,000	15,000	20,000
Price per MCF	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70	$ 2.70
Days per Month	30	30	30	30	30	30	30	30	30	30	30	30
Gross Revenue per Day	$ 2,700	$ 4,050	$ 5,400	$ 8,100	$ 12,150	$ 16,200	$ 13,500	$ 20,250	$ 27,000	$ 27,000	$ 40,500	$ 54,000
Gross Revenue per Month	$ 81,000	$ 121,500	$ 162,000	$ 243,000	$ 364,500	$ 486,000	$ 405,000	$ 607,500	$ 810,000	$ 810,000	$ 1,215,000	$ 1,620,000
Less Monthly Severance Tax (7%)	$ (5,670)	$ (8,505)	$ (11,340)	$ (17,010)	$ (25,515)	$ (34,020)	$ (28,350)	$ (42,525)	$ (56,700)	$ (56,700)	$ (85,050)	$ (113,400)
Net Revenue for Distribution	$ 75,330	$ 112,995	$ 150,660	$ 225,990	$ 338,985	$ 451,980	$ 376,650	$ 564,975	$ 753,300	$ 753,300	$ 1,129,950	$ 1,506,600
.125% Override	$ 94	$ 141	$ 188	$ 282	$ 424	$ 565	$ 471	$ 706	$ 942	$ 942	$ 1,412	$ 1,883
Monthly Rate of Return	3.01%	4.52%	6.03%	9.04%	13.56%	18.08%	15.07%	22.60%	30.13%	30.13%	45.20%	60.26%
Annual Rate of Return	36.16%	54.24%	72.32%	108.48%	162.71%	216.95%	180.79%	271.19%	361.58%	361.58%	542.38%	723.17%

EXIT STRATEGY AND UPSIDE OVERVIEW

OUR EXIT STRATEGY IS TO SALE ALL ACREAGE, WELLS, NATURAL GAS PRODUCTION AND THE 112.25 MILE NATURAL GAS PIPELINE IN 36 – 42 MONTHS. OUR COUNTDOWN STARTS IN 2024.

WE WILL RECOMPLETE 3 NATURAL GAS PAY ZONES FOR PRODUCTION IN ROUGHLY 800 WELLS WITHIN THE AREA OF INTEREST MAP ON PAGE 8 OF BOOK.

WE WILL RECOMPLETE THESE PAY ZONES AT AN APPROXIMATE DEPTH OF 600' -1200'+/- PER WELL TO PROVE UP THE ACREAGE WITHIN THE AREA OF INTEREST.

PLEASE REVIEW BELOW THE POTENTIAL PAYOFF TO INVESTORS FOR $125,000.

POTENTIAL PAYOFF TO INVESTOR

$125,000 LEASE BANK

GAS PRICE EST. = $2.70 per mcf

HIGH UPSIDE

= 50,000 ACS * 569.9MCFG (EST. GAS IN-PLACE) = 28.5BCF

= 28.5BCF * **$2.70** = **$76.9M** (10' OF NET PAY)

= $76.9M * .07% = $5.4M (SEV. TAX)

= $76.9M - $5.4M = **$71.5M**

= $71.5M * 1.00% ORRI = $716K

= **$716K NET CASH TO INVESTOR**

= **$100,000 LEASE BUY BACK AMT. TO INVESTOR**

= $816K TOTAL CASH TO INVESTOR

= $816K/$125K = 7:1 ROI

****ORRI IS BASED ON TOTAL REVENUE****

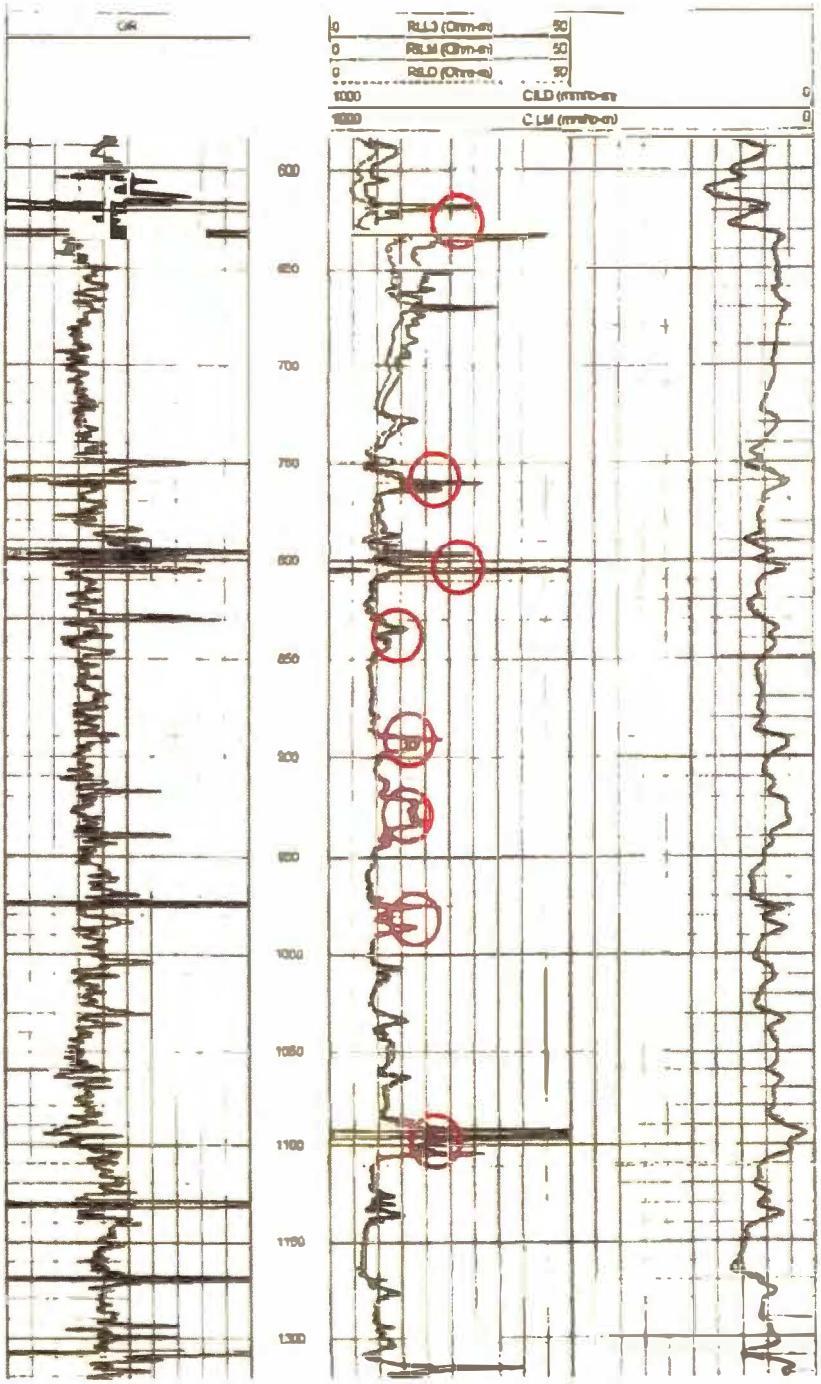
POTENTIAL PAYOFF TO INVESTOR PER LEVEL
$62,500 (.50%) = $450K
$31,250 (.25%) = $225K
$15,625 (.125%) = $112.5K
(PAY OFF BASED ON A 7:1 ROI)

****MCF/D PRODUCED FROM THE OKLAHOMA GEOLOGICAL SURVEY FILE REPORT FOR CBM (COAL BED METHANE WELLS)**

These are only projections, and no guarantees are made, nor can be made as to ultimate productivity of any oil and gas lease.

Edwards #3A

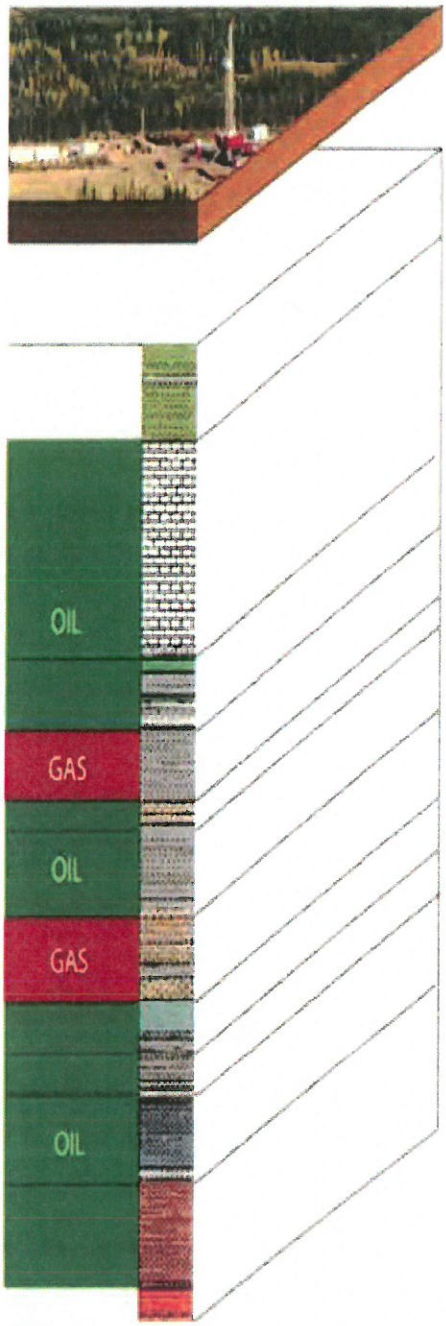
NW SW NE NE Section 06-17N-15E

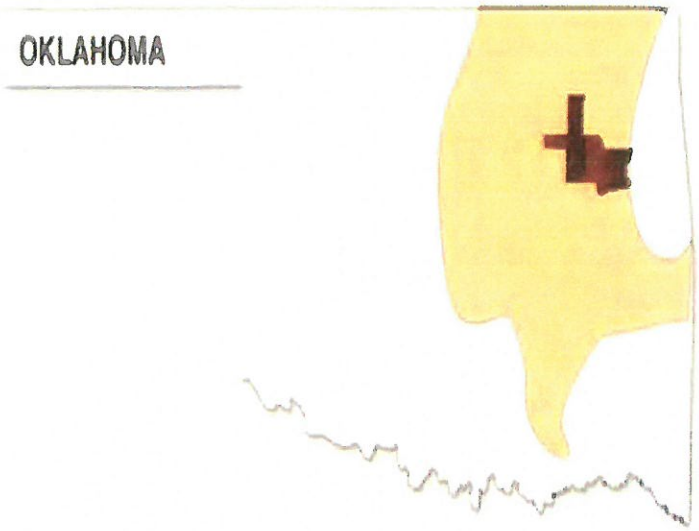


○ = Zones of interest for coalbed gas

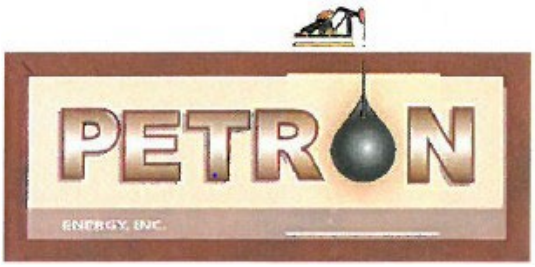
PETRON

Oklahoma Stratographic Column





- Require
  - Total Depth 2,000'
  - Thickness per section Dutcher: 20'(Oil/Gas); Mississippian: 15'(Gas); Woodford Shale: 40'(Gas); Tyner, Misner, Burgen and Arbuckle: 2' – 10'(Oil/Gas)
  - Well logs Dutcher: Yes; Mississippian: Yes; Woodford Shale: Yes; Tyner, Misner, Burgen and Arbuckle: Yes
  - Oil Gas Dutcher: (Oil/Gas); Mississippian: (Gas); Woodford Shale: (Gas); Tyner, Misner, Burgen and Arbuckle: Oil/Gas)
  - Coal Seam: Crowburg(Gas) 6' thick; Mulky (Gas) 6' thick; Rowe(Gas) 2' thick



Principal Address:
17950 Preston Road, Suite 960
Dallas, Texas 75252

Phone Number:
972.272.8190

Facsimile Number:
972.485.1324

Years in Business:
28 years

Principal Business Activity:
Oil and Gas development, exploration, and production

BBB Rating:
A+; Accredited

Bank Reference:
Francisco E. Quijano
VP Branch Banker
Huntington Bank
17950 Preston Rd. Ste 100
Dallas, TX 75252
214.242.1882

Business References:

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Contact

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