

Subject: ODiSy – Disclosure Status  
From: no-reply@pse.com.ph (no-reply@pse.com.ph)  
To: disclosure@pse.com.ph;  
Date: Saturday, April 20, 2013 12:01 AM

Dear Sir/Madam:

We would like to inform you that as of APR 19, 2013 09:01:49 AM today,

Reference Number: WLIST\_\_2013000026835  
Company Name: Basic Energy Corporation  
Disclosure Subject: Quarterly Report for period ended March 31, 2013  
Status: APPROVED

Should you need further assistance, please e-mail us at

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Philippine Stock Exchange, Inc.  
PSE Center, One Exchange Road  
Ortigas Center, Pasig City.  
Philippines 1600

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April 18, 2013

**THE DISCLOSURE DEPARTMENT**  
2/F The Philippine Stock Exchange, Inc.  
Tower One, PSE Centre  
Makati City

Attention : **MS. JANET A. ENCARNACION**  
Head, Disclosure Department  
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Gentlemen:

Attached herewith is a copy of our Quarterly Report (SEC 17-Q) for the quarter ending March 31, 2013 filed with the Securities & Exchange Commission.

Very truly yours,



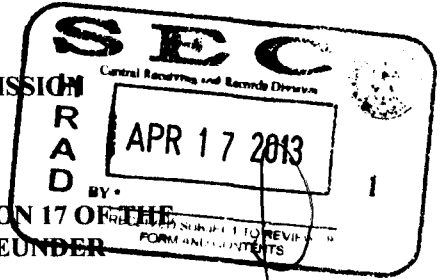
**ANGEL P. GAHOL**  
Compliance Officer



SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SRC AND SRC RULE 17(a)-17(b)(2) THEREUNDER



1. For the quarterly period ended March 31, 2013
2. Commission identification number 168063
3. BIR Tax Identification No. 000-438-702-000
4. Exact name of registrant as specified in its charter  
BASIC ENERGY CORPORATION
5. Province, country or other jurisdiction of incorporation or organization Philippines
6. Industry classification code .....
7. Address of registrant's principal office 7<sup>th</sup> Flr., Basic Petroleum Bldg., C. Palanca St., Legaspi Village, Makati City, Philippines Postal Code 1229
8. Registrant's telephone number, including area code (632) 817-8596 to 98
9. Former name, former address and former fiscal year, if changed since last report  
\_\_\_\_\_
10. Securities registered pursuant to Sections 8 and 12 of the SRC

| <u>Title of Each Class</u> | <u>Number of shares of common stock outstanding or amount of debt outstanding</u> |
|----------------------------|---|
| <u>Common Shares</u>       | <u>2,469,193,512</u>  |
| <u>Listed with PSE</u>     | <u>2,468,745,455</u>  |

11. Are any or all of the securities listed on the Philippine Stock Exchange?

Yes [ x ] No [ ]

12. Indicate by check mark whether the registrant:

(a) Has filed all reports required to be filed by Section 17 of the SRC and SRC 17(a)-1 thereunder and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period the registrant was required to file such reports)

Yes [ x ] No [ ]

(b) has been subject to such filing requirements for the past 90 days.

Yes [ x ] No [ ]

**PART I--FINANCIAL INFORMATION**

**Item 1. Financial Statements.**

“Attachment A”

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

“Attachment A”


**PART II--OTHER INFORMATION**


“Attachment A”

The registrant may, at its option, report under this item any information not previously reported in a report on SEC Form 17-C. If disclosure of such information is made under this Part II, it need not be repeated in a report on Form 17-C which would otherwise be required to be filed with respect to such information or in a subsequent report on Form 17-Q.

**SIGNATURES**

Pursuant to the requirements of the SRC, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Registrant   
**CORAZON M. BEJASA**  
Signature and Title VP & Corporate Secretary  
Date April 17, 2013

Principal Financial/  
Accounting Officer/Controller   
**MARIETTA V. VILLAFUERTE**  
Signature and Title VP & Treasurer  
Date April 17, 2013

**ATTACHMENT "A"**  
**FINANCIAL INFORMATION**  
**For the Period Ended March 31, 2013**

1. The following unaudited financial statements are contained in this report:
  - 1.1 Statements of Income and Retained Earnings for the Period Ended March 31, 2013 and March 31, 2012;
  - 1.2 Balance Sheets as of March 31, 2013 and December 31, 2012;
  - 1.3 Statements of Cash Flows for the Period Ended March 31, 2013 and March 31, 2012;
  - 1.4 Statements of Changes in Stockholders' Equity for the Period Ended March 31, 2013 and March 31, 2012.
2. Discussion on Financial Condition for the Period December 31, 2012 to March 31, 2013.

**A. Key Performance Indicators**

Management considers the following as key performance indicators of the company: Return on Investment (ROI), Profit Margin, Performance of Committed Work Programs, Current Ratio and Asset Turnover.

The following table shows the Top 5 performance indicators for the past three interim periods:

| <b>KEY PERFORMANCE INDICATORS</b>  | 1st Qtr 2013 | 1st Qtr 2012 | 1st Qtr 2011 |
|--|--------------|--------------|--------------|
| <b>Return on Investments (ROI)</b><br>(Net Income/Ave. Stockholders' Equity) | -0.70%       | 5.43%        | 7.51%        |
| <b>Profit Margin</b><br>(Net Income/Net Revenue)                             | -124.63%     | 74.86%       | 75.04%       |
| <b>Investment in Projects(Non-Petroleum)</b><br>as a % of Total Assets       | 22.64%       | 19.71%       | 33.55%       |
| <b>Investment in Wells &amp; Other Facilities</b><br>as a % of Total Assets  | 6.16%        | 6.98%        | 6.86%        |
| <b>Current Ratio</b><br>(Current Asset/Current Liabilities)                  | 87.22:1      | 54.34:1      | 60.82:1      |
| <b>Asset turnover</b><br>(Net revenue/Ave. Total Assets)                     | 0.55%        | 7.01%        | 9.68%        |
| <b>Solvency Ratios</b><br>Debt to Equity Ratio                               | 2.86%        | 3.35%        | 3.31%        |
| Asset to Equity Ratio  | 102.86%      | 103.35%      | 103.31%      |
| Interest Rate Coverage Ratio   | n/a          | n/a          | n/a          |

ROI (Net Income / Average Stockholders' Equity) measures the profitability of stockholders' investment. Profit Margin (Net Income / Net Revenue) measures the net income produced by each peso of revenue. Investment in Projects as a % of Assets, measures how much the company invested in its committed work programs. Current Ratio (Current Assets / Current Liabilities) measures the short-term debt-paying ability of the company. Asset Turnover (Net Revenue / Average Total Assets) measures how efficiently assets are used to produce profit.

ROI of -0.70% and Profit Margin of -124.63% both showed negative rates because of the net loss for the first quarter as compared to the net income during the 1<sup>st</sup> quarter of 2012.

Investment in Projects (Non- Petroleum) as a % of Total Assets increased from 19.71% to 22.64% because of the increase in investments due to fair value adjustments in 2013 as compared to 2012.

Investment in Wells & Other Facilities as a % of Total Assets slightly decreased to 6.16% from 6.98% due to the increases in both investments and total assets base in 2013 compared 2012.

Current Ratio increased to 87.22:1 from 54.34:1 due to the decreases in both current assets and current liabilities in 2013 compared to 2012.

Asset Turnover of 0.55% decreased from 7.01% due to the decrease in revenue and the increase in the average total assets base in 2013 compared to 2012.

Debt to Equity Ratio decreased from 3.35% to 2.86% due to increases in both total liabilities and equity in 2013 compared to 2012.

Asset to Equity Ratio decreased to 102.86% from 103.35% due to increases in both total assets and equity base in 2013 compared to 2012.

#### B. Discussion and Analysis of Financial Condition as of March 31, 2013

For the quarter ending March 31, 2013, the company recorded a net loss on a consolidated basis of Php 5.860 million from total revenues of Php 4.695 million and total costs and expenses of Php 10.555 million with minority interest recorded at Php 9.59 thousand.

Total revenue for the period of Php 4.695 million was mainly from interest on cash and placements.

Total Assets as of March 31, 2013 stood at Php 854.460 million decreasing by Php 4.995 million from Php 859.455 million as of December 31, 2012. Current assets decreased by Php 23.271 million primarily from the decreases in cash and equivalents and short-term investments due to transfer to long-term investments. Non-current assets increased by Php 18.276 million mostly from the increase in investments in available for sale (AFS) assets.

Total Liabilities slightly increased by Php 1.073 million from Php 22.650 million as of December 31, 2012 to Php 23.723 million as of March 31, 2012 due to the accruals for certain operating expenses.

Total Stockholders' Equity as of March 31, 2013 stood at Php 830.728 million decreasing by Php 6.077 million from Php 836.805 million as of December 31, 2012 mainly due to the net loss generated for the 1<sup>st</sup> quarter of 2013.

The interim financial report is in compliance with generally accepted accounting principles. The same accounting policies and methods of computation were followed in the interim financial statements, as compared with the most recent audited financial statements, which are as of December 31, 2012.

The interim operations are not characterized by any seasonality or cyclicity. The nature and amount of items affecting assets, liabilities, equity, net income and cash flows are explained in Attachment "A" on Financial Information for the period ending March 31, 2013.

There are no changes in estimates of amounts reported in prior interim periods of the current financial year or those reported in prior financial years.

There are no other issuances, repurchases and repayments of debt and equity securities other than the additional listing of 26,700,000 common shares of Basic Energy Corporation which was approved by the PSE on January 3, 2013.

There were no dividends paid (aggregate or per share) separately for ordinary shares and other shares.

Currently, the company has a single business and geographical segment and therefore, segment disclosures have not been included.

There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

There are no changes in the composition of the company during the interim period, including business conditions, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing of operations.

Since December 31, 2012, there are no other changes in contingent liabilities or assets and no new material contingencies, events or transactions that have occurred during the current interim period. There are no trends, demands, commitments, events or uncertainties, known to management that will have a material impact on the company's liquidity.

There are no material commitments for capital expenditures and no seasonal aspects that have a material effect on the financial conditions or results of operations.

There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.



There are no events that will trigger direct or contingent financial obligations that are material to the company, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations, (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

The causes for any material changes (5% of the relevant accounts or such lower amount, which the company deems material on the basis of other factors) from period to period which include vertical and horizontal analysis of any material item, have been presented in this report.

There were no sales of unregistered or exempt securities, nor were there any issuances of securities constituting an exempt transaction.

Finally, there are no other material information for disclosure during the current interim period, whether under this report or under SEC Form 17-C.

C. Disclosures per SEC Memorandum Circular No. 3, Series of 2011

In compliance with SEC Memorandum Circular No. 3, Series of 2011: Guidelines on the Implementation of PFRS 9, we disclose that:

- (i) After consideration of the result of its impact evaluation using the outstanding balances of financial statements as of December 31, 2012, the Company has decided not to early adopt either PFRS 9 (2009) or PFRS 9 (2010) for its 2013 reporting;
- (ii) We will however, continue to evaluate the impact of the standard in our financial statements for the year 2013.

**BASIC ENERGY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**As of March 31, 2013 and December 31, 2012**

|  | UNAUDITED<br>March 31, 2013 |                    | AUDITED<br>December 31, 2012 |                    |
|--|-----------------------------|--------------------|------------------------------|--------------------|
| <b>ASSETS</b>  |                             |                    |                              |                    |
| <b>Current Assets</b>  |                             |                    |                              |                    |
| Cash and cash equivalents  | P                           | 180,690,822        | P                            | 202,436,999        |
| Receivables-net  |                             | 45,896,014         |                              | 45,450,565         |
| Short Term Investments   |                             | 5,082,392.3        |                              | 8,210,000          |
| Other current assets   |                             | 2,587,886          |                              | 1,430,455          |
| <b>Total Current Assets</b>  |                             | <b>234,257,114</b> |                              | <b>257,528,019</b> |
| <b>Non Current Assets</b>  |                             |                    |                              |                    |
| Long-term cash investment  |                             |                    |                              | 6,157,500          |
| Available-for-sale (AFS) financial assets  |                             | 323,605,077        |                              | 305,867,784        |
| Investment properties  |                             | 193,479,343        |                              | 193,479,343        |
| Property and equipment   |                             | 33,447,277         |                              | 34,167,479         |
| Deferred charges   |                             | 52,601,910         |                              | 45,185,414         |
| Deferred income tax asset  |                             | 13,311,942         |                              | 13,311,942         |
| Other noncurrent assets  |                             | 3,757,602          |                              | 3,757,602          |
| <b>Total Non Current Assets</b>  |                             | <b>620,203,151</b> |                              | <b>601,927,064</b> |
| <b>TOTAL ASSETS</b>  | <b>P</b>                    | <b>854,460,265</b> | <b>P</b>                     | <b>859,455,083</b> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |                             |                    |                              |                    |
| <b>Current Liabilities</b>   |                             |                    |                              |                    |
| Accounts payable and accrued expenses  | P                           | 2,583,171          | P                            | 2,513,258          |
| Income tax payable   |                             | 102,770            |                              |                    |
| <b>Total Current Liabilities</b>   | <b>P</b>                    | <b>2,685,941</b>   | <b>P</b>                     | <b>2,513,258</b>   |
| <b>Non Current Liabilities</b>   |                             |                    |                              |                    |
| Deferred income tax liabilities  |                             | 16,852,314         |                              | 16,852,314         |
| Accrued retirement benefits payable  |                             | 4,184,513          |                              | 3,284,513          |
| <b>Total Noncurrent Liabilities</b>  |                             | <b>21,036,827</b>  |                              | <b>20,136,827</b>  |
| <b>TOTAL LIABILITIES</b>   | <b>P</b>                    | <b>23,722,768</b>  | <b>P</b>                     | <b>22,650,085</b>  |
| <b>Minority Interest</b>   |                             | <b>9,590</b>       |                              | <b>141</b>         |
| <b>Stockholders' Equity</b>  |                             |                    |                              |                    |
| Attributable to equity holders of the Company:                                     |                             |                    |                              |                    |
| Capital stock[held by 6,853 & 7,035 equity holders as of 2012 & 2011 respectively] |                             | 617,298,378        |                              | 610,623,378        |
| Additional Paid-In Capital   |                             | 32,699,360         |                              | 32,699,360         |
| Revaluation increment in office condominium  |                             | 17,059,457         |                              | 17,059,457         |
| Deposit for future stock subscription  |                             | -                  |                              | 6,675,000          |
| Fair value adjustments on financial assets   |                             | 17,843,211         |                              | 18,069,385         |
| Retained Earnings  |                             | 149,067,501        |                              | 154,918,277        |
| <b>Total</b>   |                             | <b>833,967,907</b> |                              | <b>840,044,857</b> |
| Treasury stock (at cost)   |                             | (3,240,000)        |                              | (3,240,000)        |
| <b>Total Equity</b>  |                             | <b>830,727,907</b> |                              | <b>836,804,857</b> |
| <b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>                                | <b>P</b>                    | <b>854,460,265</b> | <b>P</b>                     | <b>859,455,083</b> |

**BASIC ENERGY CORPORATION, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME AND RETAINED EARNINGS**  
**For the period ended March 31, 2013 and March 31, 2012**

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|  | As of<br>31-Mar-13 | As of<br>March 31, 2012 |
|--|--------------------|-------------------------|
| <b>REVENUES</b>  |                    |                         |
|  | <i>P</i>           | <i>P</i>                |
| Income from previous sale of BPMI                              | -                  | 38,387,996              |
| Interest, Dividends and Others                                 | 4,694,596          | 3,246,131               |
| Sales  | -                  | -                       |
|  | 4,694,596          | 41,634,127              |
| <b>COSTS AND EXPENSES</b>                                      |                    |                         |
| General and administrative expenses                            | 9,812,421          | 9,601,877               |
| Unrealized Forex Gain/ (Loss)                                  | 674,088            | -                       |
| Realized Forex Gain/ (Loss)                                    | 68,453             | 875,946                 |
| Others   | -                  | -                       |
|  | 10,554,962         | 10,477,823              |
| <b>LOSS BEFORE INCOME TAX</b>                                  | <b>(5,860,366)</b> | <b>31,156,303</b>       |
| <b>PROVISION FOR INCOME TAX</b>                                |                    |                         |
| Current  | 0                  | 0                       |
| Deferred   | 0                  | 0                       |
|  | 0                  | 0                       |
| <b>NET INCOME (LOSS)</b>                                       | <b>(5,860,366)</b> | <b>31,156,304</b>       |
| <b>MINORITY INTEREST</b>                                       | <b>9,590</b>       | <b>8,371</b>            |
|  | <b>(5,850,776)</b> | <b>31,164,675</b>       |
| <b>RETAINED EARNINGS AT BEGINNING OF YEAR /<br/>QUARTER</b>    | <b>154,918,277</b> | <b>(91,624,127)</b>     |
|  | -                  | -                       |
|  | -                  | 0                       |
| <b>RETAINED EARNINGS (DEFICIT) AT END OF<br/>YEAR/ QUARTER</b> | <b>149,067,501</b> | <b>(60,459,452)</b>     |
| <b>Earnings (Loss) Per Share</b>                               | <b>(0.0024)</b>    | <b>0.0128</b>           |

Formula: Earnings (Loss) Per Share

= Net Income/ No. of shares for the quarter ended March 31, 2013  
2,469,193,512

= Net Income/ No. of shares for the quarter ended March 31, 2012  
2,442,493,512

**BASIC ENERGY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Period Ended March 31, 2013 and March 31, 2012**

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|  | <b>1st quarter 2013</b> | <b>1st quarter 2012</b> |
|--|-------------------------|-------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                         |                         |
| <b>Net Income (loss)</b>   | P (5,860,366)           | P 31,156,304            |
| <b>Adjustment to reconcile net income to net cash provided by operating activities</b> |                         |                         |
| Interest income  | 4,694,596               | 3,237,702               |
| Depreciation, depletion and amortization   | 743,676                 | 950,671                 |
| Foreign Exchange Gain/Loss   | 742,541                 | 875,946                 |
| <b>Operating income (loss) before working capital changes</b>                          | <b>320,447</b>          | <b>36,220,623</b>       |
| <b>Changes in assets and liabilities</b>   |                         |                         |
| Decrease (Increase) in asset/s   |                         |                         |
| Receivables  | (445,449)               | (517,334)               |
| Prepayments and other current assets   | 8,146,716               | (893,336)               |
| Increase (Decrease) in liabilities   |                         |                         |
| Accounts payable & accrued expenses  | 172,683                 | (555,282)               |
| Accrued retirement benefits payable  | 900,000                 | 600,000                 |
| <b>Cash generated from (used in) operations</b>  | <b>9,094,397</b>        | <b>34,854,672</b>       |
| Interest received  | (4,694,596)             | (3,237,702)             |
| Taxes paid   | -                       | -                       |
| <b>Net cash flows from (used) in operating activities</b>                              | <b>P 4,399,801</b>      | <b>P 31,616,970</b>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                         |                         |
| Sale of AFS & FVPL Investments   | -                       | -                       |
| Additions (Deductions) to:   |                         |                         |
| AFS Investment   | (17,737,293)            | P (15,120,442)          |
| Project development cost   | -                       | -                       |
| Deferred charges   | (7,416,496)             | (1,869,291)             |
| Property & equipment   | (23,474)                | (3,161,668)             |
| Unrealized gain on fair value adjustments  | (226,174)               | 114,896                 |
| <b>Net cash from (used in) investing activities</b>                                    | <b>P (25,403,437)</b>   | <b>P (20,036,505)</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                         |                         |
| <b>Net cash provided by financing activities</b>                                       | <b>P -</b>              | <b>P -</b>              |
| <b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES IN CASH &amp; CASH EQUIVALENT</b>           | <b>(742,541)</b>        | <b>(875,946)</b>        |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT</b>                             | <b>(21,746,177)</b>     | <b>P 10,704,518</b>     |
| <b>CASH AND CASH EQUIVALENT AT BEGINNING OF YEAR/QUARTER</b>                           | <b>202,436,999</b>      | <b>311,754,005</b>      |
| <b>CASH AND CASH EQUIVALENT AT END</b>   | <b>P 180,690,822</b>    | <b>P 322,458,523</b>    |

**BASIC ENERGY CORPORATION AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**For the Period Ended March 31, 2013 and March 31, 2012**

|  | Quarters Ended March 31 |               |
|--|-------------------------|---------------|
|  | 2013                    | 2012          |
| <b>CAPITAL STOCK</b> - P 0.25 par value<br>Authorized - 10,000,000,000 shares<br>Issued and Subscribed | 2,469,193,512           | 2,442,493,512 |
| Paid-up Capital Stock at beginning of year P   | 617,298,378             | 610,623,378   |
| Paid-up Capital Stock at end of period/quarter P   | 617,298,378             | 610,623,378   |
| <b>ADDITIONAL PAID-IN CAPITAL</b><br>Balance at beginning of year                                      | 32,699,360              | 32,699,360    |
| Balance at end of period P   | 32,699,360              | 32,699,360    |
| <b>DEPOSITS FOR FUTURE SUBSCRIPTION</b>  | 0                       | 0             |
| <b>REVALUATION INCREMENT IN OFFICE CONDOMINIUM</b>   | 17,059,457              | 10,437,004    |
| <b>FAIR VALUE ADJUSTMENTS ON FINANCIAL ASSETS</b>  | 17,843,211              | (394,697)     |
| <b>RETAINED EARNINGS (DEFICIT)</b><br>Balance at beginning of the year                                 | 154,918,277             | (91,624,127)  |
| Net Income (Loss) for the period   | (5,850,776)             | 31,164,675    |
| Balance at end of period P   | 149,067,501             | (60,459,452)  |
| <b>TOTAL</b> P   | 833,967,907             | 592,905,593   |
| <b>Treasury Stock (at cost)</b>  | (3,240,000)             | (3,240,000)   |
| <b>TOTAL STOCKHOLDER'S EQUITY</b>  | 830,727,907             | 589,665,593   |

**BASIC ENERGY CORPORATION AND SUBSIDIARIES**  
**SCHEDULE OF ACCOUNTS RECEIVABLES**  
**As of March 31, 2013**

|  |          |                          |
|--|----------|--------------------------|
| Forum Energy Plc                           | P        | 40,800,000               |
| Receivable from Stockholders               |          | 1,718,887                |
| Advances to Officers & Employees           |          | 87,225                   |
| Others                                     |          | 6,022,849                |
| Less: Allowance for uncollectible accounts |          | <u>(2,732,947)</u>       |
|  | <b>P</b> | <b><u>45,896,014</u></b> |

| Basic Energy Corporation & Subsidiaries<br>Aging of Accounts Receivable<br>As of March 31, 2013 | Total       | 1 Month   | 2-3 Mos. | 4-6 Mos. | 7 Mos. To<br>1 Year | 1-2 Years | 3-5 Years | 5 Years -<br>above | Pas due<br>accounts & Items<br>in Litigation |
|---|-------------|-----------|----------|----------|---------------------|-----------|-----------|--------------------|--|
| Type of Accounts Receivable   |             |           |          |          |                     |           |           |                    |  |
| a) Trade Receivables  |             |           |          |          |                     |           |           |                    |  |
| 1)  |             | -         | -        | -        | -                   | -         |           |                    |  |
| 2)  | -           |           |          |          |                     |           |           |                    |  |
| 3)  | -           |           |          |          |                     |           |           |                    |  |
| Subtotal  | -           |           |          |          |                     |           |           |                    |  |
| Less: Allow. For<br>Doubtful Acct.  | -           |           |          |          |                     |           |           |                    |  |
| Net Trade receivable  | -           |           |          |          |                     |           |           |                    |  |
| b) Non-Trade Receivables  |             |           |          |          |                     |           |           |                    |  |
| 1) Forum PLC  | 40,800,000  |           |          |          | 40,800,000          |           |           |                    |  |
| 2) Advances to officers/employees   | -           |           |          |          |                     |           |           |                    |  |
| 3) Receivables from stockholders  | 1,718,887   |           |          |          |                     |           |           | 1,718,887          |  |
| 4) Others   | 6,101,073   | 2,733,448 | 783,097  |          | 1,646,087           | 163,412   | 352,685   | 422,345            |  |
| Subtotal  | 48,619,960  | 2,733,448 | 783,097  |          | 42,446,087          | 163,412   | 352,685   | 2,141,232          |  |
| Less: Allow. For<br>Doubtful Acct.  | (2,723,947) |           | (16,348) |          | (137,231)           | (148,873) | (285,923) | (2,135,572)        |  |
| Net Non-trade receivable  | 45,896,014  | 2,733,448 | 766,749  |          | 42,308,856          | 14,539    | 66,762    | 5,660              |  |
| Net Receivables (a + b)   | 45,896,014  | 2,733,448 | 766,749  |          | 42,308,856          | 14,539    | 66,762    | 5,660              |  |

Notes: If the Company's collection period does not match with the above schedule and revision is necessary to make the schedule not misleading, the proposed collection period in this schedule may be changed to appropriately reflect the Company's actual collection period.

| Type of Receivable | Nature / Description | Collection period |
|--------------------|----------------------|-------------------|
| 1)                 |                      |                   |
| 2)                 |                      |                   |
| 3)                 |                      |                   |

Notes: Indicate a brief description of the nature and collection period of each receivable accounts with major balances or separate receivable captions, both for trade and non-trade accounts.

**BASIC ENERGY CORPORATION AND SUBSIDIARIES**  
**SCHEDULE OF ACCOUNTS PAYABLE AND ACCRUED EXPENSES**  
**As of March 31, 2013**

|                                  |          |                         |
|----------------------------------|----------|-------------------------|
| Accrued Expense Payables         | P        | 1,162,263               |
| SSS/Philhealth/HDMF/BIR Payables |          | 504,495                 |
| Others                           |          | 1,019,183               |
| <b>Total</b>                     | <b>P</b> | <b><u>2,685,941</u></b> |