

# SECURITIES AND EXCHANGE COMMISSION

## FORM 8-K

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### FILER

#### **MOUNTAINS WEST EXPLORATION INC**

CIK: **319040** | IRS No.: **850280415** | State of Incorporation: **NM** | Fiscal Year End: **1231**  
Type: **8-K** | Act: **34** | File No.: **000-09500** | Film No.: **05791621**  
SIC: **1311** Crude petroleum & natural gas

Mailing Address  
*P O BOX 754  
TRINIDAD CO 81082*

Business Address  
*616 CENTRAL AVE SE STE  
230  
ALBUQUERQUE NM 87102  
5052434949*

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 2, 2005

Mountains West Exploration, Inc.  
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(Exact name of registrant as specified in its charter)

New Mexico  
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(State or other jurisdiction of incorporation)

0-9500  
-----

(Commission File Number)

85-0280415  
-----

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

7609 Ralston Road, Arvada, Colorado 80002  
-----

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (303) 422-8127

Not Applicable  
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(Former name, former address and former fiscal year,  
if changed since last report)

Total number of pages in this document: 7  
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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 240.14d-2(b))

- [\_] Soliciting material pursuant to Rule 14a-12 under Exchange Act (17 CFR240.14a-12)
- [\_] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR240.14d-2(b))
- [\_] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR240.13e-4(c))

TABLE OF CONTENTS

SECTION 1. REGISTRANT'S BUSINESS AND OPERATIONS.....1

SECTION 2. FINANCIAL INFORMATION.....1

SECTION 3. SECURITIES AND TRADING MARKETS.....2

SECTION 4. MATTERS RELATED TO ACCOUNTANTS AND FINANCIAL STATEMENTS.....2

SECTION 5. CORPORATE GOVERNANCE AND MANAGEMENT.....3

SECTION 6. RESERVED.....4

SECTION 7. REGULATION FD .....4

SECTION 8. OTHER EVENTS.....4

SECTION 9. FINANCIAL STATEMENTS AND EXHIBITS.....5

SIGNATURES.....5

SECTION 1 - REGISTRANT'S BUSINESS AND OPERATIONS

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

The Company has entered into a Definitive Agreement with Superior Energy, LLC ("Superior") and its shareholders to acquire 100% of the issued and outstanding shares of Superior.

Subject to the terms and conditions of this Agreement, at the Effective Time, a newly formed subsidiary of the Company, MW Co., shall be merged with Superior. As a result of the Merger, the separate corporate existence of MW Co. and Superior shall cease and the merged company resulting from the Merger named

Superior Energy Co. shall become a wholly owned Subsidiary of Mountains West Exploration, Inc. The Merger shall be consummated pursuant to the terms of the Agreement and Plan of Reorganization, which has been approved and adopted by the respective Boards of Directors of Superior, MW Co. and Mountains West Exploration, Inc. ("MWEX") by MWEX, as the sole stockholder of MW Co., and by the interest holders of Superior Energy LLC. Superior shall convert from a limited liability company at or prior to closing to a corporation. Superior will provide capital of \$350,000 to pay liabilities and costs of the transaction.

The Shareholders of Superior shall exchange all of their shares of Superior (constituting at least 100% of the issued and outstanding common stock of Superior) for 18,000,000 common shares of Mountains West Exploration, Inc. common stock. The transactions contemplated by this Agreement shall be completed at a closing ("Closing").

The transaction is conditional upon delivery of audited financial statements of Superior prior to closing.

On April 28, 2005, Sky Rider Energy, LLC entered into a Share Purchase Agreement in which it agreed to purchase 400,000 shares of common stock of Mountains West Exploration, Inc. from Skye Blue Ventures, LLC, on or about May 20, 2005. The aggregate purchase price for the shares is \$225,000.

ITEM 1.02 TERMINATION OF A MATERIAL DEFINITIVE AGREEMENT.

Not Applicable.

ITEM 1.03 BANKRUPTCY OR RECEIVERSHIP.

Not Applicable.

## SECTION 2 - FINANCIAL INFORMATION

ITEM 2.01 COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS.

Not Applicable.

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

Not Applicable.

ITEM 2.03 CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT.

Not Applicable.

ITEM 2.04 TRIGGERING EVENTS THAT ACCELERATE OR INCREASE A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT.

Not Applicable.

ITEM 2.05 COSTS ASSOCIATED WITH EXIT OR DISPOSAL ACTIVITIES.

Not Applicable.

ITEM 2.06 MATERIAL IMPAIRMENTS.

Not Applicable.

### SECTION 3 - SECURITIES AND TRADING MARKETS

ITEM 3.01 NOTICE OF DELISTING OR FAILURE TO SATISFY A CONTINUED LISTING RULE OR STANDARD; TRANSFER OF LISTING.

Not Applicable.

ITEM 3.02 UNREGISTERED SALES OF EQUITY SECURITIES.

Not Applicable.

ITEM 3.03 MATERIAL MODIFICATION TO RIGHTS OF SECURITY HOLDERS.

Not Applicable.

### SECTION 4 - MATTERS RELATED TO ACCOUNTANTS AND FINANCIAL STATEMENTS.

ITEM 4.01 CHANGES IN REGISTRANT'S CERTIFYING ACCOUNTANT.

Not Applicable.

ITEM 4.02 NON-RELIANCE ON PREVIOUSLY ISSUED FINANCIAL STATEMENTS OR A RELATED AUDIT REPORT OR COMPLETED INTERIM REVIEW.

Not Applicable.

SECTION 5 - CORPORATE GOVERNANCE AND MANAGEMENT

ITEM 5.01 CHANGES IN CONTROL OF REGISTRANT.

Not Applicable.

ITEM 5.02 DEPARTURE OF DIRECTORS OR PRINCIPAL OFFICERS: ELECTION OF DIRECTORS: APPOINTMENT OF PRINCIPAL OFFICERS.

The Share Purchase Agreement contemplates that in the future, new officers and directors will be appointed when the merger transaction with Superior Energy, LLC is closed.

ITEM 5.03 AMENDMENTS TO ARTICLES OF INCORPORATION OR BYLAWS; CHANGE IN FISCAL YEAR.

Not Applicable.

ITEM 5.04 TEMPORARY SUSPENSION OF TRADING UNDER REGISTRANT'S EMPLOYEE BENEFIT PLANS.

Not Applicable.

ITEM 5.05 AMENDMENTS TO THE REGISTRANT'S CODE OF ETHICS, OR WAIVER OF A PROVISION OF THE CODE OF ETHICS.

Not Applicable.

SECTION 6 - [RESERVED]

SECTION 7 - REGULATION FD

ITEM 7.01 REGULATION FD DISCLOSURE.

Not Applicable.

SECTION 8 - OTHER EVENTS

ITEM 8.01 OTHER EVENTS.

Business of Superior Energy, LLC

Overview: Superior Energy, LLC. of Houston, Texas (Superior or the Company) was incorporated in 2003 and has acquired several oil and gas production fields that are currently producing on a very marginal basis as secondary recovery projects. Management believes these fields offer several opportunities 1) enhanced recovery production capabilities; and 2) new drill sites available within the acreage. These fields have either never been fully and efficiently exploited or have been partially depleted by ordinary methods or both.

In order to implement its business plan and redevelopment of these high potential fields, Superior Energy intends to seek funding of \$6 million with this amount going to the currently identified acquisition. The capital would be structured partly as equity and partly as a secured credit line convertible to tradable common stock. No commitments for funding are in place.

Enhanced Recovery Plan: Over the years, the lack of methane gas for lifting, methane being too costly or just not available has resulted in hundreds of wells being abandoned. Superior has designed a system in conjunction with a manufacturer using High-Tech (Non-Cryogenic) Nitrogen generators, compressors and gas-lift equipment for the purpose of enhancing production of partially developed crude oil both domestically and internationally. Superior will analyze wells that are producing below maximum potential to increase production and the cost efficiency of operating these wells.

Often these wells produce large volumes of saltwater along with the oil and gas, making them cost sensitive to produce.

An air-feed compressor is placed in an open area and air intake passes through a dryer where the moisture is removed by heat. It then passes to a receiving tank for accumulation. After activating the nitrogen generator the air from the receiving tank passes through a hollow-fiber membrane where the oxygen and water vapors permeate the membrane. The remaining nitrogen molecules can't pass through the membrane and are delivered as a gas at 92 - 99.99% purity. This gas enters a high-pressure discharge compressor where it is compressed to the desired application pressure. The nitrogen is then pumped by the compressor into the well-bore to bottom of tubing string. As the nitrogen enters the tubing the gas expands and aerates the column of fluid allowing the column to move upward through the tubing and out of the well-base where it is stored.

Initial field tests in test wells have yielded favorable results in operations in the mature Amelia Field with high water cut wells in the field which had been shut since 1997 due to a lack of gas for gas lift. With the very high water cuts, gas lift is the only viable lift mechanism. By providing nitrogen-membrane generators, along with its gas-lift, Superior Energy can decrease operating costs and increase production on such wells. Superior believes that lifting as many as four wells from one unit can be accomplished. Superior's agreement with the equipment manufacturer gives the Company the first option to purchase or lease new equipment as it is manufactured.

SECTION 9 - FINANCIAL STATEMENTS AND EXHIBITS

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

- a) Financial Statements - Not Applicable
- b) Exhibits -
  - 10.1 Share Purchase Agreement
  - 10.2 Agreement and Plan of Merger

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MOUNTAINS WEST EXPLORATION, INC.

-----  
(Registrant)

Dated: May 2, 2005

/s/Denis Iler

-----  
Denis Iler, President





EXHIBIT 10.1

SHARE PURCHASE AGREEMENT

This Share Purchase Agreement ("Agreement"), dated as of April 29, 2005, among Skye Blue Ventures, LLC ("Seller"), Mountains West Exploration, Inc. ("MWEX"), and Sky Rider Energy, LLC (the "Buyer").

W I T N E S S E T H:

A. WHEREAS, MWEX is a corporation duly organized under the laws of the State of New Mexico and is joining this Agreement to provide certain warranties and representations.

B. WHEREAS, Buyer wishes to purchase an aggregate of 400,000 shares of MWEX common stock on a, (the "Purchase Shares"), and Seller desires to sell the Purchase Shares to Buyer.

NOW, THEREFORE, it is agreed among the parties as follows:

ARTICLE I

The Consideration

1.1 Subject to the conditions set forth herein, Seller shall sell to Buyer and Buyer shall purchase an aggregate of 400,000 newly issued shares of common stock of MWEX from Seller. The purchase price for the shares to be paid by Buyer to Seller is \$225,000 (the "Consideration") which shall be paid at closing by a wire transfer or transmittal of a cashiers check to the Escrow Account for Mountains West Exploration, Inc.

ARTICLE II

Closing and Issuance of Shares

2.1 The Purchase Shares shall be sold to Buyer as by depositing same with Escrow Agent for delivery to buyer, upon receipt of the Consideration by Seller, and satisfaction of a) the conditions precedent in Article VI, and b) procedures in Article V.

2.2 Closing hereunder shall be completed by delivery to Escrow Account, of the requisite closing documents and cash consideration, and delivery of the share certificates to Attorney Michael A. Littman, Esq., on or before May 20, 2005 at 5:00 p.m. PST ("Closing Date") subject to satisfaction of the terms and conditions set forth herein. Consideration may be delivered by Federal Express or wire transfers, and any closing documents may be delivered by facsimile,

ARTICLE III

Representations, Warranties and Covenants of MWEX and Seller

Seller and MWEX hereby, represent, warrant and covenant to Buyer as follows:

3.1 MWEX is a corporation duly organized, validly existing and in good standing under the laws of the State of New Mexico, and has the corporate power and authority to own or lease its properties and to carry on its business as it is now being conducted. The Articles of Incorporation and Amendments and Bylaws of MWEX, are complete and accurate, and the minute books of MWEX, copies of which have also been made available to Buyer, contain a record, which is complete and accurate in all material respects, of all meetings, and all corporate actions of the shareholders and Board of Directors of MWEX.

3.2 (a) The authorized capital stock of MWEX consists of 50,000,000 shares of common stock and there are 1,000,000 shares of Common Stock of MWEX issued and outstanding (post reverse split). All such shares of capital stock of MWEX are validly issued, fully paid, non-assessable and free of preemptive rights. MWEX has no outstanding options, warrants, or other rights to purchase, or subscribe to, or other securities convertible into or exchangeable for any shares of capital stock of MWEX, or contracts or arrangements of any kind relating to the issuance, sale or transfer of any capital stock or other equity securities of MWEX. All of the outstanding shares of capital stock of MWEX have been offered, issued, sold and delivered in compliance with applicable federal and state securities laws and none of such securities were, at the time of issuance, subject to preemptive rights. None of such issued and outstanding shares is the subject of any voting trust agreement relating to the voting thereof or restricting in any way the sale or transfer thereof.

(b) Seller shall deliver the Purchase Shares pursuant to this Agreement free and clear of any lien, pledge, security interest or other encumbrance, and, the Buyer will acquire good and valid title to the Purchase Shares, free and clear of any lien, pledge, security interest or other encumbrance. None of the Purchase Shares are the subject of any voting trust agreement or other agreement relating to the voting thereof or restricting in any way the sale or transfer thereof except for this Agreement.

3.3 This Agreement has been duly authorized, validly executed and delivered on behalf of MWEX and Seller and is a valid and binding agreement and obligation of MWEX and Seller enforceable against the parties in accordance with its terms, subject to limitations on enforcement by general principles of equity and by bankruptcy or other laws affecting the enforcement of creditors' rights generally, and MWEX and Seller have complete and unrestricted power to enter into and, upon the appropriate approvals as required by law, to consummate the

transactions contemplated by this Agreement.

3.4 Neither the making of nor the compliance with the terms and provisions of this Agreement and consummation of the transactions contemplated herein by Seller or MWEX will conflict with or result in a breach or violation of the Articles of Incorporation or Bylaws of MWEX, or of any material provisions of any indenture, mortgage, deed of trust or other material agreement or instrument to which MWEX or Seller are a party, or of any material provision of any law, statute, rule, regulation, or any existing applicable decree, judgment or order by any court, federal or state regulatory body, administrative agency, or other governmental body having jurisdiction over MWEX or Seller, or any of its material properties or assets, or will result in the creation or imposition of any material lien, charge or encumbrance upon any material property or assets of MWEX pursuant to the terms of any agreement or instrument to which MWEX is a party or by which MWEX may be bound or to which any of MWEX property is subject and no event has occurred with which lapse of time or action by a third party could result in a material breach or violation of or default by MWEX.

2

3.5 There is no claim, legal action, arbitration, governmental investigation or other legal or administrative proceeding, nor any order, decree or judgment in progress, pending or in effect, or to the best knowledge of the MWEX threatened against or relating to MWEX or affecting any of its assets, properties, business or capital stock. There is no continuing order, injunction or decree of any court, arbitrator or governmental authority to which MWEX is a party or by which MWEX or its assets, properties, business or capital stock are bound.

3.6 MWEX has accurately prepared and filed all federal, state and other tax returns required by law, domestic and foreign, to be filed by it, has paid or made provisions for the payment of all taxes shown to be due and all additional assessments, and adequate provisions have been and are reflected in the financial statements of MWEX for all current taxes and other charges to which MWEX is subject and which are not currently due and payable. None of the Federal income tax returns of MWEX have been audited by the Internal Revenue Service or other foreign governmental tax agency. MWEX has no knowledge of any additional assessments, adjustments or contingent tax liability (whether federal or state) pending or threatened against MWEX for any period, nor of any basis for any such assessment, adjustment or contingency.

3.8 MWEX has delivered to Buyer audited financial statements dated December 31, 2004. All such statements, herein sometimes called "MWEX Financial Statements" are complete and correct in all material respects and, together with the notes to these financial statements, present fairly the financial position and results of operations of MWEX for the periods indicated. All financial statements of MWEX have been prepared in accordance with generally accepted accounting principles.

3.9 As of the date hereof, MWEX, represents and warrants that all outstanding indebtedness of MWEX is as shown on the financial statements (except for legal

and accounting services related to this transaction) and all such scheduled indebtedness, if any, which will be the sole responsibility of MWEX and shall be paid by MWEX at the Closing hereunder.

3

3.10 Since the dates of the MWEX Financial Statements, there have not been any material adverse changes in the business or condition, financial or otherwise, of MWEX. MWEX does not have any liabilities, commitments or obligations, secured or unsecured except as shown on updated financials (whether accrued, absolute, contingent or otherwise), and which shall be fully paid at the closing.

3.11 MWEX is not a party to any contract performable in the future.

3.12 The representations and warranties of the MWEX shall be true and correct as of the date hereof.

3.13 MWEX shall deliver to Buyer, all of its corporate books and records at closing.

3.14 MWEX has no employee benefit plan in effect at this time, and no open benefits or stock options or warrants are outstanding as of date hereof.

3.15 No representation or warranty by MWEX in this Agreement, or any certificate delivered pursuant hereto contains any untrue statement of a material fact or omits to state any material fact necessary to make such representation or warranty not misleading.

3.16 Buyer has received copies of Form 10KSB as filed with the Securities and Exchange Commission ("SEC") which include audits for the year ended December 31, 2004 and each of its other reports to shareholders filed with the SEC through the period ended December 31, 2004. MWEX is a registered company under the Securities Exchange Act of 1934, as amended.

3.17 MWEX has filed reports required to be filed by it under the Securities Exchange Act of 1934, as amended (the "Federal Securities Laws".) No such reports, or any reports sent to the shareholders of MWEX generally contained any untrue statement of material fact or omitted to state any material fact required to be stated therein or necessary to make the statements in such report, in light of the circumstances under which they were made, not misleading.

3.18 The Buyer has not received any general solicitation or general advertising regarding the shares of MWEX's common stock.

3.20 There have been no material changes, debts, or liabilities incurred by MWEX since the date of 10KSB for December 31, 2004, or since then to date hereof except a Pioneer assessment for unitizing, which shall be assumed and paid by a purchaser, RAD Enterprises, Inc. who wishes to purchase the mineral leases

3.21 Buyer will receive a good standing certificate from the State of New Mexico

and an updated Shareholders List at the time of closing.

#### ARTICLE IV

##### Termination of Representation and Warranties and Certain Agreements; Indemnification

4.1 Any legal action or proceeding with respect to this Agreement or any matters arising out of or in connection with this Agreement or the transactions contemplated hereby or the documents executed and delivered in connection herewith, and any action for enforcement of any judgment in respect thereof may be brought in the courts of the State of New Mexico or of the United States of America for the District of New Mexico, and, by execution and delivery of this Agreement, the parties each hereby accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts and appellate courts thereof. The parties irrevocably consent to service of process out of any of the aforementioned courts in any such action or proceeding in accordance with the notice provisions set forth in Section 9.5. The parties each hereby irrevocably waive any objection that it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Agreement or the transactions contemplated hereby or the documents execute and delivered in connection herewith brought in the courts referred to above and hereby further irrevocably waive and agree, to the extent permitted by applicable law, not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein shall affect the right of any party hereto to serve process in any other manner permitted by law.

#### ARTICLE V

##### Procedure for Closing

5.1 At the Closing Date, the purchase and sale shall be consummated after satisfaction of all conditions precedent set forth in Article VI, by common stock certificates for the Purchase Shares of MWEX being delivered, duly executed by Seller, for 400,000 shares of common stock to Escrow Agent, and the delivery of the Consideration for share purchase to Escrow Agent from the Buyer, together with delivery of all other items, agreements, stock powers, warranties, and representations set forth in this Agreement.

5.2 Escrow Agent for transaction is Michael A. Littman Attorney, 7609 Ralston Road, Arvada, CO 80002. Funds from Share Purchase proceeds shall be disbursed from Escrow to Seller.

#### ARTICLE VI

Conditions Precedent to the  
Consummation of the Purchase

The following are conditions precedent to the consummation of the Agreement on or before the Closing Date:

5

6.1 Seller and Buyer shall have performed and complied with all of their respective obligations hereunder which are to be complied with or performed on or before the Closing Date.

6.2 No action, suit or proceeding shall have been instituted or shall have been threatened before any court or other governmental body or by any public authority to restrain, enjoin or prohibit the transactions contemplated herein, or which might subject any of the parties hereto or their directors or officers to any material liability, fine, forfeiture or penalty on the grounds that the transactions contemplated hereby, the parties hereto or their directors or officers, have violated any applicable law or regulation or have otherwise acted improperly in connection with the transactions contemplated hereby, and the parties hereto have been advised by counsel that, in the opinion of such counsel, such action, suit or proceeding raises substantial questions of law or fact which could reasonably be decided adversely to any party hereto or its directors or officers.

6.3 The representations and warranties made by MWEX and Seller in this Agreement shall be true as though such representations and warranties had been made or given on and as of the Closing Date, except to the extent that such representations and warranties may be untrue on and as of the Closing Date because of changes caused by transactions suggested or approved in writing by the Buyer.

ARTICLE VII

Termination and Abandonment

7.1 Anything contained in this Agreement to the contrary notwithstanding, the Agreement may be terminated and abandoned at any time prior to or on the Closing Date:

- (a) By mutual consent of parties;
- (b) By any party, if any condition set forth in Article VI relating to the other party has not been met or has not been waived;
- (c) By MWEX or Buyer, if any suit, action, or other proceeding shall be pending or threatened by the federal or a state government before any court or governmental agency, in which

it is sought to restrain, prohibit, or otherwise affect the consummation of the transactions contemplated hereby;

- (d) By MWEX or Buyer, if there is discovered any material error, misstatement or omission in the representations and warranties of another party; or
- (e) By Seller, if the Closing does not occur, through no failure to act by MWEX, on May 5, 2005, or if Buyer fails to deliver the consideration required herein.

6

7.2 Any of the terms or conditions of this Agreement may be waived at any time by the party which is entitled to the benefit thereof, by action taken by its Board of Directors provided; however, that such action shall be taken only if, in the judgment of the Board of Directors taking the action, such waiver will not have a materially adverse effect on the benefits intended under this Agreement to the party waiving such term or condition.

#### ARTICLE VIII

##### Continuing Representations and Warranties and Covenants

8.1 The respective representations, warranties, and covenants of the parties hereto and the covenants and agreements of the parties hereto shall survive after the closing under this Agreement in accordance with the terms thereof.

8.2 There are no representations whatsoever about any matter relating to MWEX or any item contained in this Agreement, except as is contained in the express language of this Agreement.

#### ARTICLE IX

##### Miscellaneous

9.1 This Agreement embodies the entire agreement between the parties, and there have been and are no agreements, representations or warranties among the parties other than those set forth herein or those provided for herein, except that a companion document, the Reorganization Agreement, has been executed concurrently which contains numerous warranties and representations.

9.2 To facilitate the execution of this Agreement, any number of counterparts hereof may be executed, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one instrument.

9.3 All parties to this Agreement agree that if it becomes necessary or



desirable to execute further instruments or to make such other assurances as are deemed necessary, the party requested to do so will use its best efforts to provide such executed instruments or do all things necessary or proper to carry out the purpose of this Agreement.

9.4 This Agreement may not be amended except by written consent of both parties.

9.5 Any notices, requests, or other communications required or permitted hereunder shall be delivered personally or sent by overnight courier service, prepaid, addressed as follows:

7

To MWEX: Mountains West Exploration, Inc.  
c/o 7609 Ralston Road  
Arvada, CO 80002

To Seller: Skye Blue Ventures LLC  
2000 Wadsworth Blvd., #179  
Lakewood, CO 80214

To Buyer: Sky Rider Energy, LLC

or such other addresses as shall be furnished in writing by any party, and any such notice or communication shall be deemed to have been given as of the date received.

9.6 No press release or public statement will be issued relating to the transactions contemplated by this Agreement without prior approval of the Buyer and MWEX. However, MWEX may issue at any time any press release or other public statement it believes on the advice of its counsel it is obligated to issue to avoid liability under the law relating to disclosures, but the party issuing such press release or public statement shall make a reasonable effort to give the other party prior notice of and opportunity to participate in such release or statement.

9.7 This Agreement shall be governed by and construed in accordance with and enforced under the laws of the state of Colorado applicable to all agreements made hereunder. Venue and jurisdiction for any legal actions hereunder shall be District Court in and for Jefferson County, Colorado.

9.8 In connection with this Agreement the Buyers have appointed Michael A. Littman, Esq. as their Escrow Agent to do the following:

- 1) Transmit the purchase price of \$225,000 to Seller concurrent with delivery to Michael A. Littman of the shares (400,000) being purchased herein

- 2) Accept the common stock certificates of MWEX from Seller with duly signed and guaranteed signatures for 400,000 common shares for delivery to Buyer and,
- 3) Transmit by Federal Express the stock certificates to buyer pursuant to its instruction: \_\_\_\_\_
- 4) In the event of default in delivery of cash or certificates by a party under this agreement, any cash or certificates received from the other party shall be returned to the remitting party 3 business days after default.
- 5) Escrow Agent is specifically indemnified and held harmless hereby for its actions or inactions in following these instructions. In the event of a dispute involving the escrow instructions or the consideration to be delivered in escrow, the Escrow Agent is authorized to implead the consideration received into the District Court of Jefferson County Colorado upon ten days written notice, and be relieved of any further escrow duties thereupon. Any and all costs of attorneys fees and legal actions of Escrow Agent for any dispute resolution or impleader action shall be paid in equal shares by the parties to this agreement.

9.10 MWEX agrees to appoint the buyer's designee as President, and Denis Iler shall immediately resign as the President of MWEX, upon closing. MWEX agrees to execute minutes appointing three buyer's designee(s) as directors of MWEX concurrent with the closing hereunder. Buyer shall provide the names of the appointees for officers as soon as the Buyer wishes to have the persons appointed to the offices. MWEXs' current directors shall resign effective 10 days after mailing of Notice to Shareholders pursuant to Section 14f.

IN WITNESS WHEREOF, the parties have executed this Agreement this 28th day of April, 2005.

Seller:

Skye Blue Ventures LLC  
A Colorado Limited  
Liability Corporation

By: /s/Denis Iler  
Name: Denis Iler  
Title: Manager

Mountains West Exploration, Inc.  
a New Mexico Corporation

By: /s/Denis Iler  
Name: Denis Iler  
Title: President

BUYER:

Sky Rider Energy, LLC

By: /s/ G. Roland Carey

Name: G. Roland Carey

Title: Manager

EXHIBIT 10.2

AGREEMENT AND PLAN OF MERGER

BY AND BETWEEN

MOUNTAINS WEST EXPLORATION, INC.,

MW Co,

SUPERIOR ENERGY LLC,

a Limited Liability Company

April 28, 2005

TABLE OF CONTENTS

ARTICLE I	Definitions.....	1
ARTICLE II	Transactions; Terms of Merger;	

	Manner of Converting Shares.....	5
2.1	Merger.....	5
2.2	Time and Place of Closing.....	5
2.3	Effective Time.....	5
2.4	Charter.....	5
2.5	Bylaws.....	5
2.6	Directors and Officers.....	5
2.7	Conversion of Shares.....	5
2.8	Exchange of Shares.....	6
2.9	Rights of Former Superior Stockholders.....	6
2.10	Legending of Shares.....	7
2.11	Fractional Shares.....	7
2.12	Lost, Stolen or Destroyed Certificates.....	7
ARTICLE III	Representations and Warranties of MWEX, PURCHASER and THE MWEX Insiders.....	7
3.1	Organization; Standing and Power.....	7
3.2	Authorization; Enforceability.....	8
3.3	No Violation or Conflict.....	8
3.4	Consents of Governmental Authorities and Others.....	8
3.5	Conduct of Business.....	9
3.6	Litigation.....	9
3.7	Brokers.....	9
3.8	Compliance.....	10
3.9	Charter, Bylaws and Corporate Records.....	10
3.10	Subsidiaries and Investments.....	10

3.11	Capitalization.....	10
3.12	Rights, Warrants, Options.....	11
3.13	Commission Filings and Financial Statements.....	11
3.14	Absence of Undisclosed Liabilities.....	11
3.15	Real Property.....	11
3.16	List of Accounts and Proxies.....	12
3.17	Personnel.....	12
3.18	Employment Agreements and Employee Benefit Plans.....	12
3.19	Tax Matters.....	13
3.20	Material Agreements.....	13
3.21	Guaranties.....	14
3.22	Environmental Matters.....	14
3.23	Absence of Certain Business Practices.....	14
3.24	Disclosure.....	15

ARTICLE IV	Representations and Warranties of Superior.....	15
4.1	Organization.....	15
4.2	Authorization; Enforceability.....	15
4.3	No Violation or Conflict.....	16
4.4	Consents of Governmental Authorities and Others.....	16
4.5	Brokers.....	16
4.6	Charter, Bylaws and Corporate Records.....	16
4.7	Subsidiaries and Investments.....	16
4.8	Capitalization.....	16
4.9	Rights, Warrants, Options.....	17

ARTICLE V	Additional Agreements.....	17
5.1	Survival of the Representations and Warranties.....	17
5.2	Investigation.....	17
5.3	Indemnification.....	17
5.4	Indemnity Procedure.....	18
5.5	General Release.....	19
ARTICLE VI	Closing; Deliveries; Conditions Precedent.....	19
6.1	Closing; Effective Date.....	19
6.2	Deliveries.....	20
6.3	Conditions Precedent to the Obligations of Superior.....	21
6.4	Conditions Precedent to the Obligations of MWEX.....	23
6.5	Best Efforts.....	23
6.6	Termination.....	23
ARTICLE VII	Covenants.....	24
7.1	General Confidentiality.....	24
7.2	Continuing Obligations.....	25
7.3	Satisfaction of Certain Outstanding Payables.....	25
7.4	Tax Matters.....	25
ARTICLE VIII	Miscellaneous.....	25
8.1	Notices.....	25

8.2	Entire Agreement; Incorporation.....	26
8.3	Binding Effect.....	27
8.4	Assignment.....	27
8.5	Waiver and Amendment.....	27
8.6	No Third Party Beneficiary.....	27
8.7	Severability.....	27
8.8	Expenses.....	27
8.9	Headings.....	28
8.10	Other Remedies; Injunctive Relief.....	28
8.11	Counterparts.....	28
8.12	Remedies Exclusive.....	28
8.13	Jurisdiction and Venue.....	28
8.14	Participation of Parties.....	28
8.15	Further Assurances.....	29
8.16	Publicity.....	29

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER (the "Agreement"), dated as of April \_\_, 2005, by and among Superior Energy LLC, a Delaware Limited Liability Company ("Superior Energy LLC"); MOUNTAINS WEST EXPLORATION, INC., a New Mexico corporation ("MWEX"); MWEX (as defined in Article I) and MW Co, a Colorado corporation (the "Purchaser").

W I T N E S S E T H:

Preamble

The respective Boards of Directors of Superior, MWEX and Purchaser are



of the opinion that the transactions described herein are in the best interests of the parties to this Agreement and their respective stockholders. This Agreement provides for the acquisition of Superior by MWEX pursuant to the merger of Purchaser with Superior. At the effective time of such merger, the outstanding shares of the capital stock of Superior shall be converted into the right to receive shares of the common stock of MWEX. As a result, the stockholders of Superior shall become stockholders of MWEX and Superior shall continue to conduct its business and operations as a wholly owned subsidiary of MWEX. The transactions described in this Agreement are subject to the satisfaction of certain other conditions described in this Agreement. It is the intention of the parties to this Agreement that the Merger for federal income tax purposes shall qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

NOW, THEREFORE, in consideration of the above and the mutual warranties, representations, covenants, and agreements set forth herein, the parties agree as follows:

## ARTICLE I

### Definitions

In addition to terms defined elsewhere in this Agreement, the following terms when used in this Agreement shall have the meanings indicated below:

"Affiliate" shall mean with respect to a specified Person, any other Person which, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such Person, and without limiting the generality of the foregoing, includes, with respect to a Person (a) any other Person which beneficially owns or holds ten percent (10%) or more of any class of voting securities or other securities convertible into voting securities of such Person or beneficially owns or holds ten percent (10%) or more of any other equity interests in such Person, (b) any other Person with respect to which such Person beneficially owns or holds ten percent (10%) or more of any class of voting securities or other securities convertible into voting securities of such Person, or owns or holds ten percent (10%) or more of the equity interests of the other Person, and (c) any director or senior officer

1

of such Person. For purposes of this definition, the term "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"Agreement" shall mean this Agreement and Plan of Merger together with all exhibits and schedules referred to herein, which exhibits and schedules are incorporated herein and made a part hereof.

"Certificates" shall have the meaning set forth in Section 2.8.

"Closing" shall have the meaning set forth in Section 2.2.

"Closing Date" shall mean the date that the Closing takes place.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commission" shall mean the United States Securities and Exchange Commission.

"Consideration Shares" shall have the meaning set forth in Section 2.7(c).

"Effective Time" shall have the meaning set forth in Section 2.3.

"Employee Benefit Plans" shall have the meaning set forth in Section 3.18.

"Environmental Laws" shall have the meaning set forth in Section 3.22.

"ERISA" shall have the meaning set forth in Section 3.18.

"Exchange Ratio" shall have the meaning set forth in Section 2.7(c).

"Financial Statements of MWEX" shall mean (i) the audited balance sheet and the audited statements of income, cash flow and retained earnings of MWEX for the twelve (12) month period ended December 31, 2004, and (ii) the audited balance sheet and the audited statements of income, cash flow and retained earnings of MWEX for the fiscal year ended July 31, 2004, including in each such case any related notes, each prepared according to GAAP consistently applied with prior periods, except as set forth on Schedule 3.13.

"GAAP" shall have the meaning set forth in Section 3.13.

"Guaranty" shall mean, as to any Person, all liabilities or obligations of such Person, with respect to any indebtedness or other obligations of any other Person, which have been guaranteed, directly or indirectly, in any manner by such Person, through an agreement, contingent or otherwise, to purchase such indebtedness or obligation, or to purchase or sell property or services, primarily for the purpose of enabling the debtor to make payment of such

indebtedness or obligation or to guarantee the payment to the owner of such indebtedness or obligation against loss, or to supply funds to or in any manner invest in the debtor.

"Indemnified Party" shall have the meaning set forth in Section 5.4.

"Indemnifying Party" shall have the meaning set forth in Section 5.4.

"Intellectual Property" shall mean the rights to any patent, trademark, copyright, service mark, invention, software, software code, trade secret, technology, product, composition, formula, method or process.

"Investments" shall mean, with respect to any Person, all advances, loans or extensions of credit to any other Person (except for extensions of credit to customers in the ordinary course of business), all purchases or commitments to purchase any stock, bonds, notes, debentures or other securities of any other Person, and any other investment in any other Person, including partnerships or joint ventures (whether by capital contribution or otherwise) or other similar arrangement (whether written or oral) with any Person, including, but not limited to, arrangements in which (i) the first Person shares profits and losses of the other Person, (ii) any such other Person has the right to obligate or bind the first Person to any third party, or (iii) the first Person may be wholly or partially liable for the debts or obligations of such partnership, joint venture or other entity.

"Knowledge" shall mean, in the case of any Person who is an individual, knowledge that a reasonable individual under similar circumstances would have after such investigation and inquiry as such reasonable individual would under such similar circumstances make, and in the case of a Person other than an individual, the knowledge that a senior officer or director of such Person, or any other Person having responsibility for the particular subject matter at issue of such Person, would have after such investigation and inquiry as such senior officer, director or responsible Person would under such similar circumstances make.

"Law" and "Laws" shall have the meaning set forth in Section 3.19.

"Liabilities" shall have the meaning set forth in Section 3.14.

"Litigation" shall have the meaning set forth in Section 3.6.

"Material Adverse Effect" shall mean any event or condition of any character which has had or could reasonably be expected to have a material adverse effect on the condition (financial or otherwise), results of operations, assets, liabilities, properties, business or prospects of MWEX or Superior, as applicable.

"Material MWEX Agreements" shall have the meaning set forth in Section 3.20.

"Merger" shall have the meaning set forth in Section 2.1.

"Merger Consideration" shall have the meaning set forth in Section 2.7(c).

"Outstanding MWEX Common Stock" shall have the meaning set forth in Section

3.11.

"Outstanding Superior Interest" shall have the meaning set forth in Section 4.8.

"Periodic Reports" shall have the meaning set forth in Section 3.13.

"Person" shall mean any natural person, corporation, unincorporated organization, partnership, association, limited liability company, joint stock company, joint venture, trust or government, or any agency or political subdivision of any government or any other entity.

"Purchaser" shall mean MW Co, a Colorado corporation.

"Purchaser Documents" shall have the meaning set forth in Section 3.2.

"Superior" shall mean Superior Energy LLC, a Delaware Limited Liability Company.

"Superior Interest" shall have the meaning set forth in Section 4.8.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Subsidiary" of any Person shall mean any Person, whether or not capitalized, in which such Person owns, directly or indirectly, an equity interest of more than fifty percent (50%), or which may effectively be controlled, directly or indirectly, by such Person.

"Surviving Corporation" shall mean Superior as the surviving corporation resulting from the Merger with Purchaser

"Tax" and "Taxes" shall have the meaning set forth in Section 3.19.

"Tax Returns" shall have the meaning set forth in Section 3.19.

"MWEX" shall mean Mountain West Exploration, Inc., a New Mexico corporation.

"MWEX Common Stock" shall mean the shares of common stock, no par value per share, of MWEX, as further described in Section 3.11.

"MWEX Insiders" shall mean Skye Blue Ventures LLC.

"MWEX Leased Property" shall have the meaning set forth in Section 3.15.

"MWEX Leases" shall have the meaning set forth in Section 3.15.

"Transaction" shall have the meaning set forth in Section 2.1.

The words "hereof", "herein" and "hereunder" and the words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The terms defined in the singular shall have a comparable meaning when used in the plural and vice versa.

## ARTICLE II

### Transactions; Terms of Merger; Manner of Converting Shares

2.1 Merger. Subject to the terms and conditions of this Agreement, at the Effective Time, Purchaser shall be merged with Superior in accordance with the provisions of the Laws of the State of Colorado and Delaware and with the effect provided for therein (the "Merger"). As a result of the Merger, the separate corporate existence of Purchaser and Superior shall cease and MW Co shall be the Surviving Corporation resulting from the Merger renamed Superior Energy Co. and shall become a wholly owned Subsidiary of MWEX and shall continue to be governed by the laws of the State of Colorado. The Merger shall be consummated pursuant to the terms of this Agreement, which has been approved and adopted by the respective Boards of Directors of Superior, Purchaser and MWEX, by MWEX, as the sole stockholder of Purchaser, and by the interest holders of Superior Energy LLC. Superior shall convert from a limited liability company at or prior to closing to a corporation.

2.2 Time and Place of Closing. The closing of the transactions contemplated hereby (the "Closing") will take place at 10:00 A.M. on the date that the Effective Time occurs or at such other time as the parties, acting through their authorized officers, may mutually agree. The Closing shall be held at the offices of Michael A. Littman, 7609 Ralston Road, Arvada, CO 80002, or at such other location as may be mutually agreed upon by the parties.

2.3 Effective Time. The Merger and other transactions contemplated by this Agreement shall become effective on the date and at the time the Certificate of Merger reflecting the Merger shall become effective with the Secretary of State of the States of Colorado and Delaware (the "Effective Time").

2.4 Charter. The Certificate of Incorporation of Superior in effect immediately prior to the Effective Time shall be the Certificate of Incorporation of the Surviving Corporation of the merging corporation until duly amended or repealed.

2.5 Bylaws. The Bylaws of Superior in effect immediately prior to the Effective Time shall be the Bylaws of the Surviving Corporation until duly amended or repealed.

2.6 Directors and Officers. The directors of Superior in office immediately prior to the Effective Time, together with such additional Persons as may thereafter be elected, shall serve as the directors of the Surviving Corporation from and after the Effective Time in accordance with the Bylaws of the Surviving Corporation. The officers of Superior in office immediately prior

to the Effective Time, together with such additional Persons as may thereafter be elected, shall serve as the officers of the Surviving Corporation from and after the Effective Time in accordance with the Bylaws of the Surviving Corporation.

2.7 Conversion of Shares. Subject to the provisions of this Article II, at the Effective Time, by virtue of the Merger and without any action on the part of MWEX, Superior or Purchaser or the stockholders of any of the foregoing, the shares of the constituent corporations shall be converted as follows:

(a) Each share of capital stock of MWEX issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding from and after the Effective Time.

(b) Each share of Purchaser's Common Stock issued and outstanding immediately prior to the Effective Time shall cease to be outstanding and shall be converted into one share of Common Stock of the Surviving Corporation.

(c) Each share of Superior's Common Stock issued and outstanding immediately prior to the Effective Time shall cease to be outstanding and shall be converted into and exchanged for the right to receive 18,000,000 shares of Common Stock of MWEX, as adjusted to reflect fully the effect of any stock split, reverse stock split, stock dividend (including any dividend or distribution of securities convertible into common stock of MWEX), as the case may be, occurring after the date hereof and prior to the Effective Date (the "Exchange Ratio") (hereinafter such MWEX shares shall be referred to as the "Consideration Shares" or the "Merger Consideration"). The Consideration Shares shall, upon issuance and delivery to the stockholders of Superior in accordance with the terms hereof, be fully paid, validly issued and non-assessable, but shall not be registered securities under the Securities Act of 1933, as amended, (the "Securities Act") pursuant to a valid exemption thereunder.

2.8 Exchange of Shares. At the Closing, the stockholders of Superior shall surrender each certificate or certificates which represented shares of Superior's Common Stock immediately prior to the Effective Time (the "Certificates") and shall promptly upon surrender thereof receive in exchange therefor the number of whole Consideration Shares issuable in respect of all shares of Superior's Common Stock held by such Superior stockholder (rounded to the nearest share). MWEX shall not be obligated to deliver the consideration to which a Superior stockholder is entitled as a result of the Merger until such Person surrenders its Certificate or Certificates for exchange as provided in this Section 2.8. Any other provision of this Agreement notwithstanding, neither MWEX nor the Surviving Corporation shall be liable to a holder of Superior's Common Stock for any amounts paid or property delivered in good faith to a

public official pursuant to any applicable abandoned property, escheat or similar law.

2.9 Rights of Former Superior Stockholders. At the Effective Time, the stock transfer books of Superior shall be closed as to holders of Superior Common Stock immediately prior to the Effective Time and no transfer of Superior Common Stock by any such holder shall thereafter be made or recognized. Until surrendered for exchange in accordance with the provisions of Section 2.8, each Certificate theretofore representing shares of Superior Common Stock shall from and after the Effective Time represent for all purposes only the right to receive the consideration provided in Section 2.7 in exchange therefor. Whenever a dividend or other distribution is declared by MWEX on the MWEX Common Stock, the record date for which is at or after the Effective Time, the declaration

6

shall include dividends or other distributions on all shares of MWEX Common Stock issuable pursuant to this Agreement, but no dividend or other distribution payable to the holders of record of MWEX Common Stock as of any time subsequent to the Effective Time shall be delivered to the holder of any Certificate until such holder surrenders such Certificate for exchange as provided in Section 2.8. However, upon surrender of such Certificate, both the MWEX Common Stock certificate (together with all such undelivered dividends or other distributions without interest) and any undelivered dividends payable in respect thereof (without interest) shall be delivered and paid with respect to each share represented by such Certificate.

2.10 Legending of Securities. Each certificate for MWEX Common Stock to be issued to the Superior stockholders as part of the Merger Consideration shall bear substantially the following legend:

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, OR ANY STATE SECURITIES LAWS. THESE SHARES HAVE BEEN ACQUIRED FOR INVESTMENT AND MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER SAID ACT OR LAWS, OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT, IN THE CIRCUMSTANCES, REQUIRED UNDER SAID ACT".

2.11 Fractional Shares. Notwithstanding any other provision of this Agreement, if the Sellers would otherwise have been entitled to receive a fraction of a share of MWEX Common Stock (after taking into account all certificates delivered by the Superior stockholders), the number of shares issuable to the Superior stockholder shall be rounded up to the next whole number.

2.12 Lost, Stolen or Destroyed Certificates. In the event that any Certificates shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by such Superior stockholder (setting forth the number of shares of Superior Common Stock represented by such lost, stolen or destroyed

Certificates), MWEX shall pay such Superior stockholder the Consideration Shares to which such Superior stockholder is entitled.

### ARTICLE III

#### Representations and Warranties of MWEX, Purchaser and the MWEX Insiders

In order to induce Superior to enter into this Agreement and to consummate the transactions contemplated hereby, MWEX, Purchaser, and the MWEX Insiders (as defined in Article I above), jointly and severally, make the representations and warranties set forth below to Superior.

3.1 Organization; Standing and Power. MWEX is a corporation duly organized, validly existing and in good standing under the laws of the State of New Mexico. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. MWEX, Purchaser and each

7

of the MWEX Insiders has all requisite right, power and authority to execute, deliver and perform this Agreement and to consummate the transactions contemplated hereby. MWEX and Purchaser have all corporate right, power and authority to own or lease and operate their properties, and to conduct their business as presently conducted. MWEX and Purchaser are duly qualified to transact business as a foreign corporation in all jurisdictions where the ownership or leasing of their properties or the conduct of its business requires such qualification. Each jurisdiction in which MWEX and Purchaser are so qualified is listed on Schedule 3.1 hereto.

3.2 Authorization; Enforceability. The execution, delivery and performance of this Agreement by MWEX, Purchaser and the MWEX Insiders and all other agreements to be executed, delivered and performed by MWEX, Purchaser and the MWEX Insiders pursuant to this Agreement (collectively, the "Purchaser Documents") and the consummation by MWEX, Purchaser and the MWEX Insiders of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate or individual action on the part of MWEX, Purchaser and the MWEX Insiders, as applicable. This Agreement and the Purchaser Documents have been duly executed and delivered by MWEX, Purchaser and the MWEX Insiders, and constitute the legal, valid and binding obligation of MWEX, Purchaser and the MWEX Insiders, enforceable in accordance with their respective terms, except to the extent that their enforcement is limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general principles of equity.

3.3 No Violation or Conflict. The execution, delivery and performance of this Agreement and the Purchaser Documents by MWEX, Purchaser and the MWEX Insiders, and the consummation by MWEX, Purchaser and the MWEX Insiders of the transactions contemplated hereby and thereby: (a) do not violate or conflict with any provision of law or regulation (whether federal, state or local), or any writ, order or decree of any court or governmental or regulatory authority,



or any provision of MWEX or Purchaser's Articles or Certificate of Incorporation or Bylaws; and (b) do not and will not, with or without the passage of time or the giving of notice, result in the breach of, or constitute a default (or an event that with notice or lapse of time or both would become a default), cause the acceleration of performance, give to others any right of termination, amendment, acceleration or cancellation of or require any consent under, or result in the creation of any lien, charge or encumbrance upon any property or assets of MWEX or Purchaser pursuant to any instrument or agreement to which MWEX or Purchaser is a party or by which MWEX or Purchaser or their respective properties may be bound or affected, other than instruments or agreements as to which consent shall have been obtained at or prior to the Closing, each of which instruments or agreements is listed in Schedule 3.3 hereto.

3.4 Consents of Governmental Authorities and Others. No consent, approval, order or authorization of, or registration, declaration, qualification or filing with any federal, state or local governmental or regulatory authority, or any other Person, is required to be made by MWEX, Purchaser or the MWEX Insiders in connection with the execution, delivery or performance of this Agreement by MWEX, Purchaser and the MWEX Insiders or the consummation by MWEX, Purchaser and the MWEX Insiders of the transactions contemplated hereby.

8

3.5 Conduct of Business. Except as disclosed on Schedule 3.5 hereto, since December 31, 2004, MWEX has conducted its businesses in the ordinary and usual course consistent with past practices and there has not occurred any adverse change in the condition (financial or otherwise), results of operations, properties, assets, liabilities, business or prospects of MWEX, and no such change is threatened. Without limiting the generality of the foregoing, except as disclosed on Schedule 3.6, since December 31, 2004, MWEX has not: (a) amended its Articles of Incorporation or Bylaws except as to a reverse split of one for 50 and authorization of a name change; (b) issued, sold or authorized for issuance or sale, shares of any class of its securities (including, but not limited to, by way of stock split or dividend) or any subscriptions, options, warrants, rights or convertible securities or entered into any agreements or commitments of any character obligating it to issue or sell any such securities; (c) redeemed, purchased or otherwise acquired, directly or indirectly, any shares of its capital stock or any option, warrant or other right to purchase or acquire any such capital stock; (d) suffered any damage, destruction or loss, whether or not covered by insurance, which has had or could reasonably be expected to have a Material Adverse Effect on any of its properties, assets, business or prospects; (e) granted or made any mortgage or pledge or subjected itself or any of its properties or assets to any lien, charge or encumbrance of any kind; (f) made or committed to make any capital expenditures in excess of \$10,000; (g) become subject to any Guaranty; (h) granted any increase in the compensation payable or to become payable to directors, officers or employees (including, without limitation, any such increase pursuant to any severance package, bonus, pension, profit-sharing or other plan or commitment); (i) entered into any agreement which would be a Material Agreement, or amended or terminated any existing Material Agreement; (j) been named as a party in any

Litigation, or become the focus of any investigation by any government or regulatory agency or authority; (k) declared or paid any dividend or other distribution with respect to its capital stock; or (l) experienced any other event or condition of any character which has had or to MWEX's or the MWEX Insiders' Knowledge, could reasonably be expected to have a Material Adverse Effect on MWEX.

3.6 Litigation. There are no actions, suits, investigations, claims or proceedings ("Litigation") pending or, to the Knowledge of MWEX, Purchaser or any of the MWEX Insiders, threatened before any court or by or before any governmental or regulatory authority or arbitrator, (a) affecting MWEX or Purchaser (as plaintiff or defendant) or (b) against MWEX, Purchaser or the MWEX Insiders relating to MWEX's Common Stock or the transactions contemplated by this Agreement and there exist no facts or circumstances to the Knowledge of MWEX, Purchaser or the MWEX Insiders creating any reasonable basis for the institution of any Litigation against MWEX, Purchaser or the MWEX Insiders

3.7 Brokers. None of MWEX, Purchaser nor the MWEX Insiders has employed any broker or finder, and none of them has incurred or will incur, directly or indirectly, any broker's, finder's, investment banking or similar fees, commissions or expenses in connection with the transactions contemplated by this Agreement or the Purchaser Documents.

3.8 Compliance. MWEX and Purchaser are in compliance with all federal, state, local and foreign laws, ordinances, regulations, judgments, rulings,

9

orders and other requirements applicable to MWEX and Purchaser and their respective assets and properties, including, without limitation, those relating to (a) the registration and sale of the MWEX Common Stock, (b) the establishment of a public trading market for the MWEX Common Stock, and (c) the public trading of the MWEX Common Stock. MWEX and Purchaser are not subject to any judicial, governmental or administrative inquiry, investigation, order, judgment or decree.

3.9 Charter, Bylaws and Corporate Records. A true, correct and complete copy of (a) the Articles of Incorporation of MWEX and Purchaser, as amended and in effect on the date hereof, (b) the Bylaws of MWEX and Purchaser, as amended and in effect on the date hereof, and (c) the minute books of MWEX and Purchaser (containing all corporate proceedings from the date of incorporation) have been furnished to Superior. Such minute books contain accurate records of all meetings and other corporate actions of the board of directors, committees of the board of directors, incorporators and shareholders of MWEX and Purchaser from the date of its incorporation to the date hereof which were memorialized in writing. No actions have been taken since the date of MWEX or Purchaser's incorporation that are not memorialized in writing.

3.10 Subsidiaries and Investments. Except as required by this Agreement, MWEX has no Subsidiaries or Investments. MWEX owns one hundred

percent (100%) of the issued and outstanding capital stock of the Subsidiary MW Co.

3.11 Capitalization. The authorized capital stock of MWEX consists of 50,000,000 shares of common stock, of which 1,000,000 shares are issued and outstanding (the "Outstanding MWEX Common Stock"). All shares of Outstanding MWEX Common Stock have been duly authorized, are validly issued and outstanding, and are fully paid and non-assessable. No securities issued by MWEX from the date of its incorporation to the date hereof were issued in violation of any statutory, contractual or common law preemptive rights. There are no dividends which have accrued or been declared but are unpaid on the capital stock of MWEX. All taxes required to be paid in connection with the issuance and any transfers of MWEX's capital stock have been paid. All permits or authorizations required to be obtained from or registrations required to be effected with any Person in connection with any and all issuances of securities of MWEX from the date of MWEX's incorporation to the date hereof have been obtained or effected and all securities of MWEX have been issued and are held in accordance with the provisions of all applicable securities or other laws. The Outstanding MWEX Common Stock constitutes one hundred percent (100%) of the issued and outstanding capital stock of MWEX. The Consideration Shares shall, upon issuance and delivery to the Superior stockholders in accordance with the terms hereof, be fully paid, validly issued and non-assessable, but shall not be registered securities under the Securities Act of 1933. There are no registration rights outstanding which relate to the Outstanding MWEX Common Stock and, to the Knowledge of MWEX and the MWEX Insiders, there are no voting trusts, proxies or other agreements or understandings with respect to any equity security of any class of MWEX or with respect to any equity security, partnership interest or similar ownership interest of any class of any of its Subsidiaries.

3.12 Rights, Warrants, Options. There are no outstanding (a) securities or instruments convertible into or exercisable for any of the capital stock or

10

other equity interests of MWEX or Purchaser; (b) options, warrants, subscriptions, puts, calls, or other rights to acquire capital stock or other equity interests of MWEX or Purchaser; or (c) commitments, agreements or understandings of any kind, including employee benefit arrangements, relating to the issuance or repurchase by MWEX or Purchaser of any capital stock or other equity interests of MWEX or Purchaser, or any instruments convertible or exercisable for any such securities or any options, warrants or rights to acquire such securities.

3.13 Commission Filings and Financial Statements. All of the Periodic Reports of MWEX required to satisfy the information requirements of Section 13 of the Exchange Act have been filed with the Commission, have been true, accurate and complete in all material respects and have been filed in compliance with the requirements of the Exchange Act. The Financial Statements of MWEX: (a) have been prepared in accordance with the books of account and records of MWEX; (b) fairly present, and are true, correct and complete statements in all

material respects of MWEX's financial condition and the results of its operations at the dates and for the periods specified in those statements; and (c) have been prepared in accordance with United States generally accepted accounting principles ("GAAP") consistently applied with prior periods.

3.14 Absence of Undisclosed Liabilities. Other than as disclosed by the Periodic Reports, the Financial Statements of MWEX or as disclosed on Schedule 3.14, MWEX and Purchaser do not have any direct or indirect indebtedness, liability, claim, loss, damage, deficiency, obligation or responsibility, known or unknown, fixed or unfixed, choate or inchoate, liquidated or unliquidated, secured or unsecured, accrued, absolute, contingent or otherwise, including, without limitation, liabilities on account of taxes, other governmental charges or Litigation, whether or not of a kind required by GAAP to be set forth on a financial statement ("Liabilities"). Except as listed on Schedule 3.14, MWEX and Purchaser do not have any Liabilities other than Liabilities fully and adequately reflected in the Periodic Reports or the Financial Statements of MWEX. MWEX, Purchaser and the MWEX Insiders have no Knowledge of any circumstances, conditions, events or arrangements which may hereafter give rise to any Liabilities of MWEX or Purchaser, except as set forth on Schedule 3.14.

3.15 Real Property and Mineral Leases. MWEX and Purchaser do not own any fee simple interest in real property. MWEX and Purchaser do not lease, sublease, or have any other contractual interest in any real property other than as set forth on Schedule 3.15. Schedule 3.15 sets forth the street address of each parcel of real property leased or subleased by MWEX or Purchaser, or in which MWEX or Purchaser has any other contractual interest (collectively the "MWEX Leased Property"). Attached hereto as Schedule 3.15 is a summary list of all of the lease, sublease and other contractual agreements (collectively the "MWEX Leases"), as amended to date, relating to the MWEX Mineral Leases. The MWEX Leases are valid, binding and in full force and effect, all rent and other sums and charges payable thereunder are current, and no notice of default or termination under any of the MWEX Leases is outstanding.

RAD Enterprises, Inc. has entered into a Purchase Agreement to purchase such leases for the assumption of approximately \$100,000 in operating cost assessments. There are potential liabilities (in addition to operating charges) associated with the MWEX Leases. There is no known any liability under any Environmental Law or regulation, which is or which may become payable after the Closing of the Transaction.

3.16 List of Accounts and Proxies. Set forth on Schedule 3.16 is: (a) the name and address of each bank or other institution in which MWEX or Purchaser maintains an account (cash, securities or other) or safe deposit box; (b) the name and phone number of MWEX or Purchaser's contact person at such bank or institution; (c) the account number of the relevant account and a description of the type of account; (d) the name of each person authorized by MWEX or Purchaser to effect transactions therewith or to have access to any safe deposit box or vault; and (e) all proxies, powers of attorney or other like instruments

to act on behalf of MWEX or Purchaser in matters concerning its business or affairs.

3.17 Personnel. Schedule 3.17 contains the names and annual salary rates and other compensation of all officers, directors, consultants and employees of MWEX or Purchaser (including compensation paid or payable by MWEX under any employee benefit or option plans). There are no employee policies, employee manuals or other written statements of rules or policies as to working conditions, vacation and sick leave.

3.18 Employment Agreements and Employee Benefit Plans. MWEX has not had any and does not have any defined contribution plan and it is not (and was never) part of a controlled group contributing to any defined contribution plan and is not and was never a party to any collective bargaining agreement or other employment contracts. MWEX has not, nor does it now contribute to any pension, profit-sharing, option, other incentive plan, or any other type of Employee Benefit Plan (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")), or any health, dental, vision, long term disability, short term disability, life insurance or other welfare benefits plan, or have any obligation to or customary arrangement with employees for bonuses, incentive compensation, vacations, severance pay, insurance, or other benefits, and it is not now (and was never) a part of a controlled group with regard to any of the foregoing. Schedule 3.17 also contains a true and correct statement of the names, relationship with MWEX, present rates of compensation (whether in the form of salary, bonuses, commissions, or other supplemental compensation now or hereafter payable), and aggregate compensation for the fiscal year ended December 31, 2004 of each director, officer, consultant or employee of MWEX. Except as set forth on Schedule 3.17, since December 31, 2004, MWEX has not changed the rate of compensation of any of its directors, officers, consultants or employees, and MWEX will not be required to make any severance payments to any of its directors, officers, consultants or employees as a result of the Transaction.

There are no complaints, charges, claims, allegations, grievances, or litigations pending or threatened which reflect or pertain to: (i) any federal, state or local labor, employment, anti-discrimination, workers compensation, disability or unemployment law, regulation or ordinance; (ii) any claim for wrongful discharge, harassment, discrimination, breach of employment contract or employment-related tort; or (iii) any employment agreement, restrictive covenant, non-competition agreement or employee confidentiality agreement, which, in any such case, if adversely determined, could reasonably be expected to have a Material Adverse Effect on MWEX.

3.19 Taxes.

(a) MWEX has properly prepared and timely filed all Tax Returns (as defined below) relating to any and all Taxes (as defined below) concerning or attributable to it or its operations for any period ending on or before the

Closing Date and such Tax Returns are true, correct and complete in all material respects and have been completed in accordance with applicable Laws (as defined below).

(b) All Taxes (whether or not shown on any Tax Return) payable by MWEX have been fully and timely paid. The cash reserves or accruals for Taxes provided in the books and records of MWEX with respect to any period for which Tax Returns have not yet been filed or for which Taxes are not yet due and owing have been established in accordance with GAAP and are, or prior to the Closing Date, will be, sufficient for all unpaid Taxes of MWEX through and including the Closing Date (including, without limitation, with respect to any Taxes resulting from the transactions contemplated by this Agreement).

(c) Neither MWEX nor any Person on behalf of or with respect to MWEX has executed or filed any agreements or waivers extending any statute of limitations on or extending the period for the assessment or collection of any Tax. No power of attorney on behalf of MWEX with respect to any Tax matter is currently in force.

(d) MWEX is not a party to any Tax-sharing agreement or similar arrangement with any other party (whether or not written), and MWEX has not assumed any Tax obligations of, or with respect to any transaction relating to, any other Person or agreed to indemnify any other Person with respect to any Tax.

(e) No Tax Return concerning or relating to MWEX or its operations has ever been audited by a government or taxing authority, nor is any such audit in process or pending, and MWEX has not been notified of any request for such an audit or other examination. No claim has been made by a taxing authority in a jurisdiction where Tax Returns concerning or relating to MWEX or its operations have not been filed that it is or may be subject to taxation by that jurisdiction.

(f) MWEX has never been included in any consolidated, combined, or unitary Tax Return.

(g) MWEX has complied in all material respects with all applicable Laws relating to the payment and withholding of Taxes and has duly and timely withheld from employee salaries, wages and other compensation and has paid over to the appropriate taxing authorities all amounts required to be so withheld and paid over for all periods under all applicable laws.

(h) Neither MWEX nor any other Person on behalf of and with respect to MWEX has (i) agreed to or is required to make any adjustments pursuant to Section 481(a) of the Internal Revenue Code of 1986 ("Code") or any similar provision of state, local or foreign law by reason of a change in accounting method initiated by MWEX, and MWEX and the MWEX Insiders have no Knowledge that

the Internal Revenue Service ("IRS") has proposed any such adjustment or change in accounting method, or has any application pending with any taxing authority requesting permission for any changes in accounting methods that relate to the business or operations of MWEX, (ii) executed or entered into a closing agreement pursuant to Section 7121 of the Code or any predecessor provision thereof or any similar provision of state, local or foreign law with respect to MWEX or (iii) requested any extension of time within which to file any Tax Return concerning or relating to MWEX or its operations, which Tax Return has since not been filed.

(i) No property owned by MWEX is (i) property required to be treated as being owned by another Person pursuant to the provisions of Section 168(f)(8) of the Internal Revenue Code of 1954, as amended and in effect immediately prior to the enactment of the Tax Reform Act of 1986, (ii) constitutes "tax-exempt use property" within the meaning of Section 168(h)(1) of the Code or (iii) is "tax-exempt bond financed property" within the meaning of Section 168(g) of the Code.

(j) MWEX is not subject to any private letter ruling of the IRS or comparable rulings of other taxing authorities.

(k) MWEX does not own any interest in any entity that is treated as a partnership for U.S. federal income Tax purposes or would be treated as a pass-through or disregarded entity for any Tax purpose.

(l) MWEX has not constituted either a "distributing corporation" or a "controlled corporation" within the meaning of Section 355(a)(1)(A) of the Code in a distribution qualifying for tax-free treatment under Section 355 of the Code (i) in the two years prior to the date of this Agreement or (ii) in a distribution that could otherwise constitute part of a "plan" or "series of transactions" (within the meaning of Section 355(e) of the Code) in conjunction with this Agreement.

(m) MWEX has no elections in effect for U.S. federal income Tax purposes under Sections 108, 168, 441, 472, 1017, 1033 or 4977 of the Code.

The term "Law" or "Laws" as used in this Agreement shall mean any federal, state, local or foreign statute, law, ordinance, regulation, rule, code, order or other requirement or rule of law.

The term "Tax" or "Taxes" as used in this Agreement shall mean (i) all income, excise, gross receipts, ad valorem, sales, use, employment, franchise, profits, gains, property, transfer, payroll, withholding, severance, occupation, social security, unemployment compensation, alternative minimum, value added, intangibles or other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding), together with any interest and any penalties, fines, additions to tax or additional amounts imposed by any Governmental Authority with respect thereto, (ii) any liability for the payment of any amounts of the type described in (i) as a result of being a member of a consolidated, combined, unitary or aggregate

amounts of the type described in (i) or (ii) as a result of being a transferee or successor to any person or as a result of any express or implied obligation to indemnify any other Person.

The term "Tax Returns" as used in this Agreement shall mean returns, declarations, reports, claims for refund, information returns or other documents (including any related or supporting schedules, statements or information) filed or required to be filed in connection with the determination, assessment or collection of any Taxes of any party or the administration of any laws, regulations or administrative requirements relating to any Taxes.

3.20 Material Agreements. Schedule 3.20 sets forth a brief description of all material written and oral contracts or agreements relating to MWEX or Purchaser (except with respect to the MWEX Leases, which are set forth on Schedule 3.16, which is hereby incorporated by reference and made a part thereof), including without limitation any: (i) contract resulting in a commitment or potential commitment for expenditure or other obligation or potential obligation, or which provides for the receipt or potential receipt, involving in excess of Ten Thousand Dollars (\$10,000.00) in any instance, or series of related contracts that in the aggregate give rise to rights or obligations exceeding such amount; (ii) indenture, mortgage, promissory note, loan agreement, guarantee or other agreement or commitment for the borrowing or lending of money or encumbrance of assets involving more than Ten Thousand Dollars (\$10,000.00) in each instance; (iii) agreement which restricts MWEX or Purchaser from engaging in any line of business or from competing with any other Person; or (iv) any other contract, agreement, instrument, arrangement or commitment that is material to the condition (financial or otherwise), results of operation, assets, properties, liabilities, business or prospects of MWEX or Purchaser (collectively, and together with the MWEX Leases, employment agreements, Employee Benefit Plans and all other agreements required to be disclosed on any Schedule to this Agreement, the "Material MWEX Agreements"). MWEX has previously furnished to Superior true, complete and correct copies of all written agreements, as amended, required to be listed on Schedule 3.20.

Except as set forth on Schedule 3.20, none of the Material MWEX Agreements was entered into outside the ordinary course of business of MWEX or Purchaser, or contains any provisions that will impair or adversely affect the operations of MWEX or Purchaser. The Material MWEX Agreements are each in full force and effect and are the valid and legally binding obligations of MWEX and, to the Knowledge of MWEX and the MWEX Insiders, the other parties thereto. MWEX has not received notice of default by MWEX or Purchaser under any of the Material MWEX Agreements. Neither MWEX nor Purchaser has received notice of any pending or threatened Litigation relating to any of the Material MWEX Agreements.

3.21 Guaranties. Except as set forth on Schedule 3.21, MWEX and



Purchaser are not a party to any Guaranty, and no Person is a party to any Guaranty for the benefit of MWEX or Purchaser.

3.22 Environmental Matters Except for Methane Production in Colorado. None of the MWEX Leased Property nor any other property used by MWEX presently or in the past has been used to manufacture, treat, store, or dispose of any hazardous substance and such property is free of all such substances such that the condition of the property is in compliance with applicable Environmental Laws (as defined below). As for it has become aware, MWEX is in compliance with

15

all laws, regulations and other federal, state or local governmental requirements, and all applicable judgments, orders, writs, notices, decrees, permits, licenses, approvals, consents or injunctions relating to the generation, management, handling, transportation, treatment, disposal, storage, delivery, discharge, release or emission of any waste, pollutant or toxic or hazardous substance (including, without limitation, asbestos, radioactive material and pesticides) (the "Environmental Laws") applicable to MWEX or its business as a result of any hazardous substance utilized by MWEX in its business or otherwise placed at any of the facilities owned, leased or operated by MWEX, or in which MWEX has a contractual interest. Neither the MWEX Insiders, nor MWEX (or its directors or officers), has received any complaint, notice, order, or citation of any actual, threatened or alleged noncompliance by MWEX with any Environmental Laws, and there is no Litigation pending or, to MWEX or the MWEX Insiders' Knowledge, threatened against any of MWEX, the MWEX Insiders or any director or officer of MWEX, with respect to any violation or alleged violation of the Environmental Laws, and to MWEX and the MWEX Insiders' Knowledge, there is no reasonable basis for the institution of any such Litigation.

3.23 Absence of Certain Business Practices. None of the MWEX Insiders, Purchaser, nor MWEX, nor any Affiliates thereof nor, to the Knowledge of each, any other Person acting on behalf of MWEX, has with respect to the business or activities of MWEX: (a) received, directly or indirectly, any rebates, payments, commissions, promotional allowances or any other economic benefits, regardless of their nature or type, from any customer, supplier, trading company, shipping company, governmental employee or other Person with whom MWEX has done business directly or indirectly; or (b) directly or indirectly, given or agreed to give any gift or similar benefit to any customer, supplier, trading company, shipping company, governmental employee or other Person who is or may be in a position to help or hinder the business of MWEX (or assist MWEX in connection with any actual or proposed transaction) which (i) may subject MWEX to any material damage or any penalty in any Litigation, (ii) if not given in the past, may have had a Material Adverse Effect on the assets, business or operations of MWEX as reflected in the Periodic Reports or Financial Statements of MWEX or (iii) if not continued in the future, may materially adversely affect the assets, business or operations of MWEX or subject MWEX to suit or penalty in any private or governmental litigation or proceeding.

3.24 Disclosure. No representation or warranty of MWEX, Purchaser or

the MWEX Insiders contained in this Agreement, and no statement, report, or certificate furnished by or on behalf of MWEX, Purchaser or the MWEX Insiders to Superior or its agents pursuant hereto or in connection with the transactions contemplated hereby, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading or omits or will omit to state a material fact necessary in order to provide Superior with full and proper information as to the business, financial condition, assets, liabilities, results of operation or prospects of MWEX or Purchaser and the value of their properties or the ownership of MWEX or Purchaser.

#### ARTICLE IV

##### Representations and Warranties of Superior

In order to induce MWEX, Purchaser and the MWEX Insiders to enter into this Agreement and to consummate the transactions contemplated hereby, Superior makes the representations and warranties set forth below to MWEX, Purchaser and the MWEX Insiders.

4.1 Organization. Superior is a Limited Liability Company duly organized, validly existing and in good standing under the laws of the State of Delaware. Superior is duly qualified to transact business as a foreign corporation in all jurisdictions where the ownership or leasing of its properties or the conduct of its business requires such qualification, except where the failure to so qualify would not have a Material Adverse Effect on Superior. Superior has the requisite power and authority to (a) own or lease and operate its properties and (b) conduct its business as presently conducted. Superior intends to convert to a corporation at or prior to closing.

4.2 Authorization; Enforceability. Superior has the capacity to execute, deliver and perform this Agreement. This Agreement and all other documents executed and delivered by Superior pursuant to this Agreement have been duly executed and delivered and constitute the legal, valid and binding obligations of Superior, assuming the due authorization, execution and delivery of this Agreement by MWEX, Purchaser and the MWEX Insiders, enforceable in accordance with their respective terms, except to the extent that their enforcement is limited by bankruptcy, insolvency, reorganization or other laws relating to or affecting the enforcement of creditors' rights generally and by general principals of equity.

4.3 No Violation or Conflict. The execution, delivery and performance of this Agreement and the other documents contemplated hereby by Superior, and the consummation by Superior of the transactions contemplated hereby: (a) do not violate or conflict with any provision of law or regulation (whether federal, state or local), or any writ, order or decree of any court or governmental or regulatory authority, or any provision of Superior's Certificate of Incorporation or Bylaws; and (b) except as set forth on Schedule 4.3 hereto, do

not, with or without the passage of time or the giving of notice, result in the breach of, or constitute a default, cause the acceleration of performance or require any consent under, or result in the creation of any lien, charge or encumbrance upon any property or assets of Superior pursuant to any instrument or agreement to which Superior is a party or by which Superior or its properties may be bound or affected, other than instruments or agreements as to which consent shall have been obtained at or prior to the Closing, each of which instruments or agreements is listed in Schedule 4.3 hereto.

4.4 Consents of Governmental Authorities and Others. No consent, approval or authorization of, or registration, qualification or filing with any federal, state or local governmental or regulatory authority, or any other Person, is required to be made by Superior in connection with the execution, delivery or performance of this Agreement by Superior or the consummation by them of the transactions contemplated hereby, excluding the execution, delivery and performance of this Agreement by the Sellers.

17

4.5 Brokers. Superior has not employed any broker or finder, and has not incurred and will not incur any broker's, finder's, investment banking or similar fees, commissions or expenses in connection with the transactions contemplated by this Agreement.

4.6 Charter Records. A true, correct and complete copy of (a) the Certificate of Organization of Superior, as amended and in effect on the date hereof, and (b) the Operating Agreement of Superior, as amended and in effect on the date hereof, have been furnished.

4.7 Subsidiaries and Investments. Except as described on Schedule 4.7, Superior has no Subsidiaries or Investments.

4.8 Capitalization. Upon conversion of the Superior member interests to stock, the authorized capital stock of Superior will consist of 100,000 shares of common stock, (the "Superior Common Stock"). Superior will have issued and outstanding 100,000 shares of Superior Common Stock (the "Outstanding Superior Common Stock"). The Outstanding Superior Common Stock shall then constitute one hundred percent (100%) of the issued and outstanding capital stock of Superior. The Outstanding Superior Common Stock is owned by its stockholders will be in the amounts set forth on Schedule A. All of the Outstanding Superior Common Stock will have been duly authorized, is validly issued and outstanding, and is fully paid and non-assessable. No securities issued by Superior from the date of its incorporation to the date hereof were issued in violation of any statutory or common law preemptive rights. All taxes required to be paid in connection with the issuance and any transfers of Superior's capital stock have been paid. All permits or authorizations required to be obtained from or registrations required to be effected with any Person in connection with any and all issuances of securities of Superior from the date of its incorporation to the date hereof have been obtained or effected and all securities of Superior have been issued and are held in accordance with the provisions of all applicable securities or

other laws.

4.9 Rights, Warrants, Options. There are no outstanding (a) securities or instruments convertible into or exercisable for any of the capital stock or other equity interests of Superior; (b) options, warrants, subscriptions or other rights to acquire capital stock or other equity interests of Superior; or (c) Commitments, agreements or understandings of any kind, including employee benefit arrangements, relating to the issuance or repurchase by Superior of any capital stock or other equity interests of Superior, or any instruments convertible or exercisable for any such securities or any options, warrants or rights to acquire such securities.

18

## ARTICLE V

### Additional Agreements

5.1 Survival of the Representations and Warranties. The representations and warranties contained in Sections 3.1, 3.2, 3.12, 3.13 and 3.14 and the covenants in Section 7.1 and 7.3 shall survive the Closing and remain in effect indefinitely. The representations and warranties contained in Section 3.23 (relating to environmental matters) shall survive the Closing until the expiration of three (3) years from the Closing Date. The representations and warranties contained in Section 3.20 (relating to taxes) shall survive the Closing until the later of the expiration of twenty four months from the Closing Date or the expiration of the last day of the statute of limitations applicable to any action against MWEX based upon the non-payment of taxes, or other violation of the Code, which occurred prior to the Closing Date. Except as set forth above, the representations and warranties and covenants of MWEX, Purchaser, the MWEX Insiders contained in this Agreement shall survive the Closing until the expiration of twenty-four months from the Closing Date. No claim for indemnity with respect to breaches of representations and warranties may be brought by any party hereto, other than a claim for fraud or intentional misrepresentation, after expiration of the applicable survival period therefore as set forth in this Section 5.1

5.2 Investigation. The representations, warranties, covenants and agreements set forth in this Agreement shall not be affected or diminished in any way by any investigation (or failure to investigate) at any time by or on behalf of the party for whose benefit such representations, warranties, covenants and agreements were made. All statements contained herein or in any schedule, certificate, exhibit, list or other document required to be delivered pursuant hereto, shall be deemed to be representations and warranties for purposes of this Agreement; provided, that any knowledge or materiality qualifications contained herein shall be applicable to such other documents.

5.3 Indemnification. Each of the MWEX Insiders, jointly and severally, agrees to indemnify and hold harmless Superior, and each of Superior's directors, officers and employees, from and against any losses, damages, costs or expenses (including reasonable legal fees and expenses) which are caused by or arise out of (i) any breach or default in the performance by any of MWEX, Purchaser or the MWEX Insiders of any covenant or agreement made by any of them in this Agreement; (ii) any breach of any Representation or Warranty made by any of MWEX, Purchaser or the MWEX Insiders in this Agreement;

5.4 Indemnity Procedure. A party or parties hereto agreeing to be responsible for or to indemnify against any matter pursuant to this Agreement is referred to herein as the "Indemnifying Party" and the other party or parties claiming indemnity is referred to as the "Indemnified Party".

(a) An Indemnified Party under this Agreement shall, with respect to claims asserted against such party by any third party, give written notice to the Indemnifying Party of any liability which might give rise to a claim for indemnity under this Agreement within sixty (60) business days of the receipt of any written claim from any such third party, but not later than twenty (20) days

19

prior to the date any answer or responsive pleading is due, and with respect to other matters for which the Indemnified Party may seek indemnification, give prompt written notice to the Indemnifying Party of any liability which might give rise to a claim for indemnity; provided, however, that any failure to give such notice will not waive any rights of the Indemnified Party except to the extent the rights of the Indemnifying Party are materially prejudiced.

(b) The Indemnifying Party shall have the right, at its election, to take over the defense or settlement of such claim by giving written notice to the Indemnified Party at least fifteen (15) days prior to the time when an answer or other responsive pleading or notice with respect thereto is required. If the Indemnifying Party makes such election, it may conduct the defense of such claim through counsel of its choosing (subject to the Indemnified Party's approval of such counsel, which approval shall not be unreasonably withheld), shall be solely responsible for the expenses of such defense and shall be bound by the results of its defense or settlement of the claim. The Indemnifying Party shall not settle any such claim without prior notice to and consultation with the Indemnified Party, and no such settlement involving any equitable relief or which might have an adverse effect on the Indemnified Party may be agreed to without the written consent of the Indemnified Party (which consent shall not be unreasonably withheld). So long as the Indemnifying Party is diligently contesting any such claim in good faith, the Indemnified Party may pay or settle such claim only at its own expense and the Indemnifying Party will not be responsible for the fees of separate legal counsel to the Indemnified Party, unless the named parties to any proceeding include both parties and representation of both parties by the same counsel would be inappropriate. If the Indemnifying Party does not make such election, or having made such election does not, in the reasonable opinion of the Indemnified Party proceed diligently

to defend such claim, then the Indemnified Party may (after written notice to the Indemnifying Party), at the expense of the Indemnifying Party, elect to take over the defense of and proceed to handle such claim in its discretion and the Indemnifying Party shall be bound by any defense or settlement that the Indemnified Party may make in good faith with respect to such claim. In connection therewith, the Indemnifying Party will fully cooperate with the Indemnified Party should the Indemnified Party elect to take over the defense of any such claim.

(c) The parties agree to cooperate in defending such third party claims and the Indemnified Party shall provide such cooperation and such access to its books, records and properties as the Indemnifying Party shall reasonably request with respect to any matter for which indemnification is sought hereunder; and the parties hereto agree to cooperate with each other in order to ensure the proper and adequate defense thereof.

With regard to claims of third parties for which indemnification is payable hereunder, such indemnification shall be paid by the Indemnifying Party upon the earlier to occur of: (i) the entry of a judgment against the Indemnified Party and the expiration of any applicable appeal period, or if earlier, five (5) days prior to the date that the judgment creditor has the right to execute the judgment; (ii) the entry of an unappealable judgment or final appellate decision against the Indemnified Party; or (iii) a settlement of the claim. Notwithstanding the foregoing, provided that there is no dispute as to the applicability of indemnification, the reasonable expenses of counsel to the Indemnified Party shall be reimbursed on a current basis by the Indemnifying Party if such expenses are a liability of the Indemnifying Party. With regard to

20

other claims for which indemnification is payable hereunder, such indemnification shall be paid promptly by the Indemnifying Party upon demand by the Indemnified Party.

5.5 General Release. As additional consideration for the sale of the Superior Common Stock pursuant to this Agreement, each of the MWEX Insiders hereby unconditionally and irrevocably releases and forever discharges, effective as of the Closing Date, MWEX and Purchaser and their officers, directors, employees and agents, from any and all rights, claims, demands, judgments, promissory notes, obligations, liabilities and damages, whether accrued or unaccrued, asserted or unasserted, and whether known or unknown, relating to MWEX or Purchaser which ever existed or now exist, by reason of any tort, breach of contract, violation of law or other act or failure to act which shall have occurred at or prior to the Closing Date, or in relation to any other liabilities of MWEX or Purchaser to the MWEX Insiders. The MWEX Insiders expressly intend that the foregoing release shall be effective regardless of whether the basis for any claim or right hereby released shall have been known to or anticipated by the MWEX Insiders. Notwithstanding the foregoing or anything else to the contrary contained herein, the foregoing provisions of this Section 5.5 shall not apply to claims against Superior for indemnification

pursuant to this Article V to the extent applicable.

## ARTICLE VI

### Closing; Deliveries; Conditions Precedent

6.1 Closing; Effective Date. All proceedings taken and all documents executed at the Closing shall be deemed to have been taken, delivered and executed simultaneously, and no proceeding shall be deemed taken nor documents deemed executed or delivered until all have been taken, delivered and executed.

#### 6.2 Deliveries

(a) At Closing, MWEX shall deliver the following documents to Superior:

- (1) the certificates representing the Consideration Shares;
- (2) the written resignation of all MWEX officers and directors from all of their positions as MWEX directors and/or officers, all to be effective upon Closing;
- (3) the minute books of MWEX, including its corporate seals, unissued stock certificates, stock registers, Articles of Incorporation, Bylaws and corporate minutes approving the terms and conditions of this Agreement and the other documents contemplated hereby and the transactions contemplated hereby and thereby;
- (4) certificates issued by the Secretary of State of New Mexico, as of a recent date, as to the good standing of MWEX in its jurisdiction of incorporation and certifying its Articles of Incorporation;
- (5) certificates issued by the Secretary of State of Colorado, as of a recent date, as to the good standing of Purchaser in its jurisdiction of incorporation and certifying its Certificate of Incorporation;
- (6) a certificate, dated the Closing Date, of an officer of MWEX setting forth that authorizing resolutions were adopted by MWEX and Purchaser's Boards of Directors, approving the terms and conditions of this Agreement and the other documents contemplated hereby and the transactions contemplated hereby and thereby;

- (7) the consents of any third party including, but not limited to, parties to any of the Material Agreements whose consent is required under the terms of any such Material Agreement or otherwise;
- (8) the certificates referred to in Section 6.3(d);
- (9) the favorable opinion of Michael Littman, Esq., counsel to MWEX, dated the Closing Date, addressed to Superior, in the form of Exhibit C hereto; and
- (10) such other documents and instruments as Superior may reasonably request.

(b) At Closing, Superior shall deliver the following documents to MWEX:

- (1) the Certificates of Superior Common Stock to be delivered to MWEX;
- (2) a certificate of the Secretary of State of the State of Delaware, as of a recent date, as to the good standing of Superior and certifying its Certificate of Incorporation;
- (3) a certificate, dated the Closing Date, of an officer of Superior setting forth that authorizing resolutions were adopted by Superior's Board of Directors, approving the terms and conditions of this Agreement and the other documents contemplated hereby and the transactions contemplated hereby and thereby;
- (4) the certificates referred to in Section 6.4(d); and
- (5) such other documents and instruments as MWEX may reasonably request.

6.3 Conditions Precedent to the Obligations of Superior. Each and every obligation of Superior to consummate the transactions described in this Agreement and any and all liability of Superior to MWEX shall be subject to the fulfillment on or before the Closing Date of the following conditions precedent:

(a) Representations and Warranties True. Each of the representations and warranties of MWEX, Purchaser and the MWEX Insiders contained herein or in any certificate or other document delivered pursuant to this Agreement or in connection with the transactions contemplated hereby shall be true and correct in all material respects as of the Closing Date with the same force and effect as though made on and as of such date.



(b) Performance. MWEX, Purchaser and the MWEX Insiders shall have performed and complied in all material respects with all of the agreements, covenants and obligations required under this Agreement to be performed or complied with by them on or prior to the Closing Date.

(c) No Material Adverse Change. Except as expressly permitted or contemplated by this Agreement, no event or condition shall have occurred which has adversely affected or may adversely affect in any respect the condition (financial or otherwise) of MWEX or Purchaser.

(d) MWEX's Certificate. MWEX shall have delivered to Superior a certificate dated the Closing Date, certifying that the conditions specified in Section 6.3(a), (b) and (c) above have been fulfilled and as to such other matters as Superior may reasonably request.

(e) No Litigation. No litigation, arbitration or other legal or administrative proceeding shall have been commenced or be pending by or before any court, arbitration panel or governmental authority or official, and no statute, rule or regulation of any foreign or domestic, national or local government or agency thereof shall have been enacted after the date of this Agreement, and no judicial or administrative decision shall have been rendered which enjoins or prohibits, or seeks to enjoin or prohibit, the consummation of all or any of the transactions contemplated by this Agreement.

(f) Appointment. Mr. G. Roland Carey shall have been appointed to the Board of Directors and President of MWEX effective at the Closing. Denis Iler shall resign as President effective immediately and as director effective 10 days after Notice under 14f as above. Redgie Green shall resign as Director effective 10 days after Notice under 14f as above.

(g) Consents. MWEX shall have obtained all authorizations, consents, waivers and approvals as may be required to consummate the transactions contemplated by this Agreement including, but not limited to, those with respect to any Material MWEX Agreement.

(h) Due Diligence Review. Superior shall have completed its due diligence investigation of MWEX, Purchaser and the MWEX Insiders to its satisfaction, in its sole and absolute discretion.

23

(i) No MWEX Options or Warrants Outstanding. On the Closing Date there shall be no options, warrants or other securities convertible into or exercisable for MWEX Common Stock outstanding.

(j) Opinion of Counsel. MWEX shall have obtained an opinion letter from counsel to MWEX addressed to Superior in form and substance reasonably acceptable to Superior, and such opinion shall not have been withdrawn.

6.4 Conditions Precedent to the Obligations of MWEX. Each and every obligation of MWEX to consummate the transactions described in this Agreement and any and all liability of MWEX, Purchaser or the MWEX Insiders to Superior shall be subject to the fulfillment on or before the Closing Date of the following conditions precedent:

(a) Representations and Warranties True. Each of the representations and warranties of Superior contained herein or in any certificate or other document delivered pursuant to this Agreement or in connection with the transactions contemplated hereby shall be true and correct in all material respects as of the Closing Date with the same force and effect as though made on and as of such date.

(b) Performance. Superior shall have performed and complied in all material respects with all of the agreements, covenants and obligations required under this Agreement to be performed or complied with by it on or prior to the Closing Date.

(c) Superior's Certificate. Superior shall have delivered to MWEX, a certificate addressed to MWEX, dated the Closing Date, certifying that the conditions specified in Sections 6.4(a), and (b) above have been fulfilled.

(d) No Litigation. No litigation, arbitration or other legal or administrative proceeding shall have been commenced or be pending by or before any court, arbitration panel or governmental authority or official, and no statute, rule or regulation of any foreign or domestic, national or local government or agency thereof shall have been enacted after the date of this Agreement, and no judicial or administrative decision shall have been rendered which enjoins or prohibits, or seeks to enjoin or prohibit, the consummation of all or any of the transactions contemplated by this Agreement.

(e) Consents. Superior shall have obtained all authorizations, consents, waivers and approvals as may be required to consummate the transactions contemplated by this Agreement, including but not limited to, those with respect to any Material Agreement of Superior.

(f) Settlement of Reimbursement claim MWEX shall achieve a settlement with Jon Elliott of his reimbursement claim acceptable to NexxuSoft at or prior to closing.

6.5 Best Efforts. Subject to the terms and conditions provided in this Agreement, each of the parties shall use their respective best efforts in good faith to take or cause to be taken as promptly as practicable all reasonable

actions that are within its power to cause to be fulfilled those of the conditions precedent to its obligations or the obligations of the other parties to consummate the transactions contemplated by this Agreement that are dependent upon its actions, including obtaining all necessary consents, authorizations,

orders, approvals and waivers.

6.6 Termination. This Agreement and the transactions contemplated hereby may be terminated (i) at any time by the mutual consent of the parties hereto; (ii) by Superior, or by MWEX, if the Closing has not occurred on or prior to May 5, 2005 (such date of termination being referred to herein as the "Termination Date"), provided the failure of the Closing to occur by such date is not the result of the failure of the party seeking to terminate this Agreement to perform or fulfill any of its obligations hereunder; (iii) by Superior at any time at or prior to Closing in its sole discretion if (1) any of the representations or warranties of MWEX, Purchaser or the MWEX Insiders in this Agreement are not in all material respects true, accurate and complete or if MWEX, Purchaser or the MWEX Insiders breach in any material respect any covenant contained in this Agreement, provided that such misrepresentation or breach is not cured within ten (10) business days after notice thereof, but in any event prior to the Termination Date or (2) any of the conditions precedent to Superior's obligations to conduct the Closing have not been satisfied by the date required thereof; (iv) by MWEX at any time at or prior to Closing in its sole discretion if (1) any of the representations or warranties of Superior in this Agreement are not in all material respects true, accurate and complete or if Superior breaches in any material respect any covenant contained in this Agreement, provided that such misrepresentation or breach is not cured within ten (10) business days after notice thereof, but in any event prior to the Termination Date or (2) any of the conditions precedent to Superior's obligations to conduct the Closing have not been satisfied by the date required thereof. If this Agreement is terminated pursuant to this Section 6.6, written notice thereof shall promptly be given by the party electing such termination to the other party and, subject to the expiration of the cure periods provided in clauses (iii) and (iv) above, if any, this Agreement shall terminate without further actions by the parties and no party shall have any further obligations under this Agreement. Notwithstanding the preceding sentence, the respective obligations of the parties under Sections 7.1 shall survive the termination of this Agreement. Notwithstanding anything to the contrary contained herein, if the termination of this Agreement is a result of the willful misrepresentation, willful inaccuracy or omission in a representation, willful breach of warranty, fraud or any willful failure to perform or comply with any covenant or agreement contained herein, the aggrieved party shall be entitled to recover from the non-performing party all out-of-pocket expenses which such aggrieved party has incurred and the termination of this Agreement shall not be deemed or construed as limiting or denying any other legal or equitable right or remedy of such party.

## ARTICLE VII

### Covenants

7.1 General Confidentiality. MWEX, Purchaser and the MWEX Insiders acknowledge that the Intellectual Property and all other confidential or proprietary information with respect to the business and operations of Superior are valuable, special and unique assets of Superior. MWEX, Purchaser and the MWEX Insiders shall not, at any time either before or after the Closing Date,

disclose, directly or indirectly, to any Person, or use or purport to authorize

any Person to use any confidential or proprietary information with respect to Superior, whether or not for MWEX, Purchaser or the MWEX Insiders' own benefit, without the prior written consent of Superior or unless required by law, including without limitation, (i) any of Superior's trade secrets, designs, formulae, drawings, Intellectual Property, diagrams, techniques, research and development, specifications, data, know-how, formats, marketing plans, business plans, budgets, strategies, forecasts or client data; (ii) information relating to the products developed by Superior, (iii) the names of Superior's customers and contacts, (iv) Superior's marketing strategies, (v) the names of Superior's vendors and suppliers, (vi) the cost of materials and labor, and the prices obtained for products or services sold (including the methods used in price determination, manufacturing and sales costs), (vii) the lists or other written records used in Superior's business, including compensation paid to employees and consultants and other terms of employment, production operation techniques or any other confidential information of, about or pertaining to the business of Superior, and, (viii) all tangible material that embodies any such confidential and proprietary information as well as all records, files, memoranda, reports, price lists, drawings, plans, sketches and other written and graphic records, documents, equipment, and the like, relating to the business of Superior, and (ix) any other confidential information or trade secrets relating to the business or affairs of Superior which MWEX, Purchaser or the MWEX Insiders may acquire or develop in connection with or as a result of their performance of the terms and conditions of this Agreement, excepting only such information as is already known to the public or which may become known to the public without any fault of MWEX, Purchaser or the MWEX Insiders or in violation of any confidentiality restrictions; provided, however, that the restrictions of this Section 7.1 shall not be applicable to MWEX, Purchaser or the MWEX Insiders in connection with such Parties' enforcement of its rights under this Agreement. MWEX, Purchaser and the MWEX Insiders acknowledge that Superior would not enter into this Agreement without the assurance that all such confidential and proprietary information will be used for the exclusive benefit of Superior.

7.2 Continuing Obligations. The restrictions set forth in Section 7.1 are considered by the parties to be reasonable for the purposes of protecting the value of the business and goodwill of Superior. MWEX, Purchaser and the MWEX Insiders acknowledge that Superior would be irreparably harmed and that monetary damages would not provide an adequate remedy to Superior in the event the covenants contained in Section 7.1 were not complied with in accordance with their terms. Accordingly, MWEX, Purchaser and the MWEX Insiders agree that any breach or threatened breach by any of them of any provision of Section 7.1 shall entitle Superior to injunctive and other equitable relief to secure the enforcement of these provisions, in addition to any other remedies (including damages) which may be available to Superior. It is the desire and intent of the parties that the provisions of Section 7.1 be enforced to the fullest extent permissible under the laws and public policies of each jurisdiction in which enforcement is sought. If any provision of Section 7.1 are adjudicated to be

invalid or unenforceable, the invalid or unenforceable provisions shall be deemed amended (with respect only to the jurisdiction in which such adjudication is made) in such manner as to render them enforceable and to effectuate as nearly as possible the original intentions and agreement of the parties. In addition, if any party brings an action to enforce Section 7.1 hereof or to obtain damages for a breach thereof, the prevailing party in such action shall be entitled to recover from the non-prevailing party all reasonable attorney's fees and expenses incurred by the prevailing party in such action.

26

7.3 Satisfaction of Certain Expenses of the Transaction. Upon the closing, Superior shall provide funds to the Escrow Account to pay expenses of the Transaction in an aggregate amount of \$350,000 including costs, with such payments being made in cash to the entities or persons and in the amounts identified on Schedule B hereto. Of the \$350,000, \$25,000 shall be paid concurrent with the signing hereof through the Escrow Account as a non-refundable deposit which amount is credited against the \$350,000 in expenses to be paid hereunder, and which shall be credited against legal fees.

7.4 Tax Treatment. Neither MWEX, Purchaser, the MWEX Insiders, nor Superior will knowingly take any action, written or otherwise, which would result in the transactions contemplated by this Agreement not being accounted for as a tax-free exchange pursuant to Section 368(a)(1)(B) of the Code.

## ARTICLE VIII

### Miscellaneous

8.1 Notices. Any notice, demand, claim or other communication under this Agreement shall be in writing and delivered personally or sent by certified mail, return receipt requested, postage prepaid, or sent by facsimile or prepaid overnight courier to the parties at the addresses as follows (or at such other addresses as shall be specified by the parties by like notice):

If to MWEX, Purchaser or the MWEX Insiders	Mountains West Exploration, Inc. 2000 Wadsworth Blvd. PMB 179 Lakewood, CO 80214
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With a copy to:	Michael Littman, Esq. 7609 Ralston Road Arvada, CO 80002 Phone: (303) 422-8127
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If to Superior:	G. Roland Carey
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With a copy to:

Such notice shall be deemed delivered upon receipt against acknowledgment thereof if delivered personally, on the third business day following mailing if sent by certified mail, upon transmission against confirmation if sent by facsimile and on the next business day if sent by overnight courier.

8.2 Entire Agreement; Incorporation. This Agreement and the documents and instruments and other agreements among the parties hereto as contemplated by or referred to herein contain every obligation and understanding between the parties relating to the subject matter hereof and merges all prior discussions, negotiations, agreements and understandings, both written and oral, if any, between them, and none of the parties shall be bound by any conditions, definitions, understandings, warranties or representations other than as set forth herein. All schedules, exhibits and other documents and agreements executed and delivered pursuant hereto are incorporated herein as if set forth in their entirety herein.

8.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, heirs, personal representatives, legal representatives, and permitted assigns.

8.4 Assignment. This Agreement may not be assigned by any party without the written prior consent of the other parties. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

8.5 Waiver and Amendment. Any representation, warranty, covenant, term or condition of this Agreement which may legally be waived, may be waived, or the time of performance thereof extended, at any time by the party hereto entitled to the benefit thereof, and any term, condition or covenant hereof (including, without limitation, the period during which any condition is to be satisfied or any obligation performed) may be amended by the parties thereto at any time. Any such waiver, extension or amendment shall be evidenced by an instrument in writing executed on behalf of the party against whom such waiver, extension or amendment is sought to be charged. No waiver by any party hereto, whether express or implied, of its rights under any provision of this Agreement shall constitute a waiver of such party's rights under such provisions at any other time or a waiver of such party's rights under any other provision of this Agreement. No failure by any party thereof to take any action against any breach of this Agreement or default by another party shall constitute a waiver of the former party's right to enforce any provision of this Agreement or to take action against such breach or default or any subsequent breach or default by such other party.

8.6 No Third Party Beneficiary. Nothing expressed or implied in this

Agreement is intended, or shall be construed, to confer upon or give any Person other than the parties hereto and their respective heirs, personal representatives, legal representatives, successors and permitted assigns, any rights or remedies under or by reason of this Agreement, except as otherwise provided herein.

8.7 Severability. In the event that any one or more of the provisions contained in this Agreement, or the application thereof, shall be declared invalid, void or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect and the application of such provision to other Persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The

28

parties further agree to replace such invalid, void or unenforceable provision with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid, void or unenforceable provision.

8.8 Expenses. Except as otherwise provided herein, each party agrees to pay, without right of reimbursement from the other party, the costs incurred by it incident to the performance of its obligations under this Agreement and the consummation of the transactions contemplated hereby, including, without limitation, costs incident to the preparation of this Agreement, and the fees and disbursements of counsel, accountants and consultants employed by such party in connection herewith.

8.9 Headings. The table of contents and the section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of any provisions of this Agreement.

8.10 Other Remedies; Injunctive Relief. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity. In any action at law or suit in equity to enforce this Agreement or the rights of the parties hereunder, the prevailing party in any such action or suit shall be entitled to receive a reasonable sum for its attorneys' fees and all other reasonable costs and expenses incurred in such action or suit.

8.11 Counterparts. This Agreement may be executed in any number of

counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Facsimile signatures shall be deemed valid and binding.

8.12 Remedies Exclusive. Except in the case of fraud or equitable remedies expressly provided for herein, the parties acknowledge and agree that the indemnification provisions set forth in Article V of this Agreement constitute the parties' sole and exclusive remedy with respect to any and all claims relating to the transactions contemplated by this Agreement. Governing Law. This Agreement has been entered into and shall be construed and enforced in accordance with the laws of the State of Colorado, without reference to the choice of law principles thereof.

8.13 Jurisdiction and Venue. This Agreement shall be subject to the exclusive jurisdiction of the courts of Jefferson County Colorado. The parties to this Agreement agree that any breach of any term or condition of this Agreement shall be deemed to be a breach occurring in the State of Colorado by virtue of a failure to perform an act required to be performed in the State of Colorado and irrevocably and expressly agree to submit to the jurisdiction of the courts of the State of Colorado for the purpose of resolving any disputes

29

among the parties relating to this Agreement or the transactions contemplated hereby. The parties irrevocably waive, to the fullest extent permitted by law, any objection which they may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement, or any judgment entered by any court in respect hereof brought in Colorado County, Colorado, and further irrevocably waive any claim that any suit, action or proceeding brought in Colorado County, Colorado has been brought in an inconvenient forum.

8.14 Participation of Parties. The parties hereby agree that they have been represented by counsel during the negotiation and execution of this Agreement and, therefore, waive the application of any law, regulation, holding, or rule of construction providing that ambiguities in an agreement or other document will be construed against the party drafting such agreement or document.

8.15 Further Assurances. The parties hereto shall deliver any and all other instruments or documents reasonably required to be delivered pursuant to, or necessary or proper in order to give effect to, all of the terms and provisions of this Agreement including, without limitation, all necessary stock powers and such other instruments of transfer as may be necessary or desirable to transfer ownership of the Superior Stock.

8.16 Publicity. No public announcement or other publicity concerning this Agreement or the transactions contemplated hereby shall be made without the prior written consent of both Superior and MWEX as to form, content, timing and manner of distribution. Nothing contained herein shall prevent any party from



making any filing required by federal or state securities laws or stock exchange rules.

[Signature Page to Follow]

30

IN WITNESS WHEREOF, the parties hereto have each executed and delivered this Agreement as of the day and year first above written.

MOUNTAINS WEST EXPLORATION, INC.

By:/s/Denis Iler  
Name: Denis Iler  
Title: President

SUPERIOR ENERGY LLC

By:/s/G. Roland Carey  
Name: G. Roland Carey  
Title: Manager

MW Co

By:/s/Denis Iler  
Name: Denis Iler  
Title: President

31

## Schedule

3.14

Pioneer Energy has notified Robert Doak and MWEX of intent to assess a recalculation of unitizing costs in the amount of \$37,000 for some small interest methane production in Colorado.

3.15

Leases Interest and Overrides subject to Purchase Agreement.

3.20

None - Except for working interest in coalbed methane properties operated by Pioneer, and consulting contracts related thereto, which may yield more than \$10,000 in revenue, and which may also generate unitizing recalculation liabilities in excess of \$10,000.

3.17

Robert Doak, consultant, \$15,000 month consulting terminable May 5, 2005.

Denis Iler, \$0 salary, President/Director

Redgie Green, \$0 salary Secretary/Director