

**TEXCOM, INC. (TEXC)**

Reported on the Pinksheets

**AN ENVIRONMENTAL SERVICES PROVIDER**

September 21, 2010

# Forward-Looking Statements

Statements contained herein and the information incorporated by reference herein may be forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 as amended (the "Exchange Act"). Forward-looking statements can be identified by the use of forward-looking terminology such as, but not limited to, "may," "will," "expect," "anticipate," "estimate," "would be," "believe," or "continue" or the negative or other variations of comparable terminology. We intend such forward-looking statements to be covered by the safe harbor provisions applicable to forward-looking statements contained in Section 21E of the Exchange Act. Such statements (none of which are intended as a guarantee of performance) are subject to certain assumptions, risks and uncertainties, which could cause our actual future results, achievements or transactions to differ materially from those projected or anticipated. Such risks and uncertainties are set forth herein.

Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events, or performance and underlying assumptions and other statements, which are other than statements of historical facts. These statements are subject to uncertainties and risks including, but not limited to, product and service demands and acceptance, changes in technology, economic conditions, the impact of competition and pricing, and government regulation and approvals. TexCom cautions that assumptions, expectations, projections, intentions, or beliefs about future events may, and often do, vary from actual results and the differences can be material. Some of the key factors which could cause actual results to vary from those TexCom expects include changes in oil prices, soybean prices, soybean oil prices, the timing of planned capital expenditures, availability of acquisitions, uncertainties in estimating and forecasting production results, political conditions in Paraguay, the condition of the capital markets generally, as well as our ability to access them, and uncertainties regarding environmental regulations or litigation and other legal or regulatory developments affecting our business.

Our expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis, including without limitation, our examination of historical operating trends, data contained in our records and other data available from third parties. There can be no assurance, however, that our expectations, beliefs or projections will result, be achieved, or be accomplished.

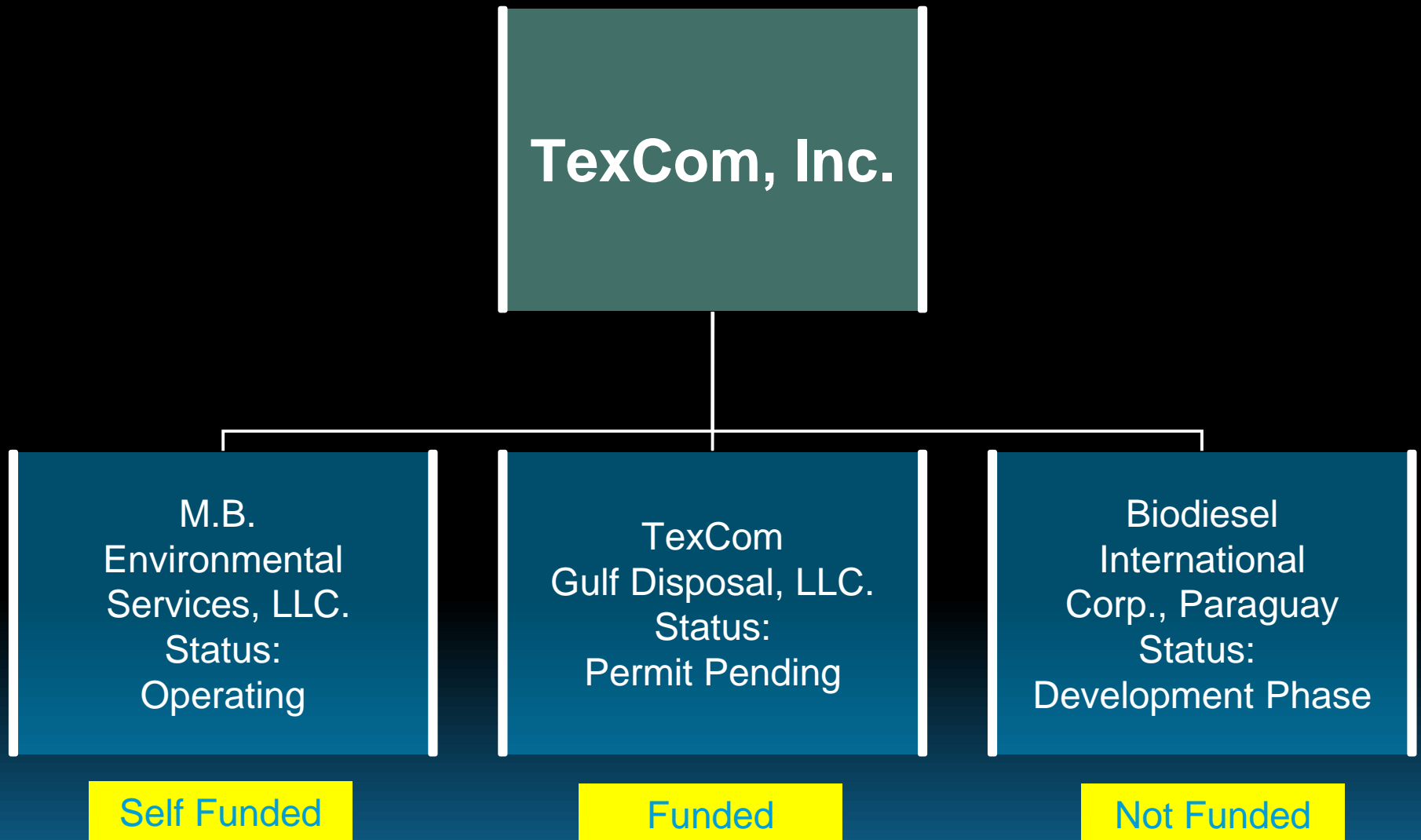
Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no duty to update any forward-looking statements.

**The information contained herein is offered for informational purposes only. None of this information is to be construed as an offer to buy or sell securities.**

# Our Four Key Initiatives

1. Bring TexCom's ownership position in M.B. Environmental Services ("MBES") to 100%
2. Assemble a pipeline of environmental services acquisitions and growth projects
3. Add engineering and remediation services to our NORM disposal capability at MBES
4. Secure financing for the purpose of:
  - Expand environmental services
  - Monetize alternative energy prospects in Paraguay.

# Organizational Structure



# TEXC Corporate Snapshot

- ❑ Market Cap 9/17/2010: \$10.34 Million
- ❑ Basic Shares Outstanding: 51,691,893
- ❑ Headquarters: Houston, Texas
- ❑ Employees: 22
- ❑ Websites: [www.texcomresources.com](http://www.texcomresources.com)  
[www.mbenvironmental.net](http://www.mbenvironmental.net)

# TexCom Description

- An energy field services company engaged in the disposal of waste from oil and gas exploration and production.
- In the process of permitting for an additional site for disposal of Class I non-hazardous industrial wastewater.
- Currently services companies in the U.S. Gulf Coast including:
  - Exploration & Production Companies
  - Drilling Companies
  - Oilfield Waste Transporters

For the fiscal year ended December 31, 2009

|                                 | <u>Revenue</u>  | <u>EBITDA</u>   |
|---------------------------------|-----------------|-----------------|
| 2007                            | \$3.1 MM        | \$1.6 MM        |
| 2008                            | \$6.2 MM        | \$4.1 MM        |
| 2009                            | \$6.8 MM        | \$4.2 MM        |
| <b>2010 1<sup>st</sup> Half</b> | <b>\$4.6 MM</b> | <b>\$2.4 MM</b> |

# 2010 Financial Highlights

- Trailing 12 months income is \$.036 cents per share
- 4th consecutive profitable quarter for TexCom, Inc.
- 22nd consecutive profitable quarter for M.B. Environmental Services, LLC., TexCom's subsidiary
- Funds available to service debt
  - Current cash position - \$800,000
  - Current Receivables position - \$1,500,000

| Q2 Financial Highlights       | Q2 2010  | Annualized |
|-------------------------------|----------|------------|
| Sales Per Employee            | \$92,346 | \$369,384  |
| Operating Income Per Employee | \$39,583 | \$158,332  |
| Net Income Per Employee       | \$26,031 | \$104,124  |

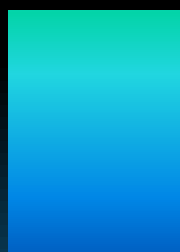
# 1<sup>st</sup> Half of 2010 vs 1<sup>st</sup> Half of 2009

■ Sales ■ Net income before non-controlling interest ■ Net income (loss) available to common shares

\$4,641,812



\$1,608,282



\$1,337,854



\$2,875,403



\$536,642



\$(534,577)



6 Months Ended June 30,  
2010

6 Months Ended June 30,  
2009



# First Half 2010 vs. First Half 2009

|   | Three months ended June 30 |                 | % Change | Six months ended June 30 |                   | % Change |
|---|----------------------------|-----------------|----------|--------------------------|-------------------|----------|
|   | 2010                       | 2009            |          | 2010                     | 2009              |          |
| Sales   | 2,401,175                  | 1,387,821       | 73%      | 4,641,812                | 2,875,403         | 61%      |
| Cost of Sales   | <u>696,377</u>             | <u>452,969</u>  | 54%      | <u>1,607,863</u>         | <u>927,732</u>    | 73%      |
| Gross Profit  | 1,544,261                  | 934,852         | 65%      | 3,033,950                | 1,947,671         | 56%      |
| Selling, general & administrative expense               | <u>388,926</u>             | <u>293,773</u>  | 32%      | <u>849,450</u>           | <u>513,429</u>    | 65%      |
| Operating income (loss)                                 | <u>1,029,164</u>           | <u>641,079</u>  | 61%      | <u>2,184,499</u>         | <u>1,434,242</u>  | 52%      |
| Other income (expense)                                  |                            |                 |          |                          |                   |          |
| Impairment of assets                                    |                            | -518,206        |          |                          | -518,206          |          |
| Interest expense  | -342,056                   | -87,646         | 290%     | -650,756                 | -130,047          | 400%     |
| Other, net  | <u>75,739</u>              | <u>19,584</u>   | 287%     | <u>74,533</u>            | <u>10,032</u>     | 643%     |
| Total other income (expense)                            | <u>-266,317</u>            | <u>-586,268</u> | -55%     | <u>-576,217</u>          | <u>-638,221</u>   | -10%     |
| Income before income taxes and non-controlling interest | 762,847                    | 54,811          | 1292%    | 1,608,282                | 796,021           | 102%     |
| Provision for income taxes                              |                            | <u>-163,008</u> | -100%    |                          | <u>-259,379</u>   |          |
| Net income before non-controlling interest              | 762,847                    | -108,197        | -805%    | 1,608,282                | 536,642           | 200%     |
| Income attributable to non-controlling interest         | <u>-86,034</u>             | <u>-663,868</u> | -87%     | <u>-270,428</u>          | <u>-1,071,219</u> | -75%     |
| Net income (loss) available to common shareholders      | <u>676,813</u>             | <u>-772,065</u> | 188%     | <u>1,337,854</u>         | <u>-534,577</u>   | 350%     |
| Income (loss) per share – basic and diluted             | \$ 0.013                   | \$ (0.020)      |          | \$ 0.026                 | \$ (0.010)        |          |
| Weighted average outstanding shares – basic and diluted | 51,691,893                 | 49,549,500      |          | 51,691,893               | 49,549,500        |          |

# NORM: Trigger for Growth

- ❑ 10,000,000 barrels of NORM existed in 1995 in the United States (\$3 Billion market for disposal) Source: Argonne Labs/API study
- ❑ Remediation and disposal costs exceed \$300 per barrel
- ❑ We currently capture 40% of the value chain with our existing disposal site
- ❑ Engineering Acquisition will take us to 88% of the NORM Value Chain

## **NORM Disposal Market Drivers**

- ❑ NORM surveys are now part of oil & gas property transaction process. This results in a need for NORM measurement, characterization, remediation and disposal
- ❑ Public Awareness – NORM contamination in the oilfield has been the subject of a number of newspaper articles
- ❑ Regulatory Awareness – regulators now test for NORM in oilfields. Several key oil producing states are examining NORM regulation revisions

# Base Case Results from \$11 Million Funding

Equates to about 16% revenue growth and 17 ½ % EBITDA growth annually over the next 5 years

|                                  | 2009                | 2010 E              | 2011 E              | 2012 E              | 2013 E              | 2014 Est            |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>M.B. Energy Class II Site</b> |                     |                     |                     |                     |                     |                     |
| Revenue                          | \$ 6,838,000        | \$ 8,521,000        | \$ 9,202,366        | \$ 10,112,925       | \$ 12,557,500       | 14,441,125          |
| MB Operating Income              | \$ 4,034,420        | \$ 5,027,390        | \$ 5,429,396        | \$ 5,966,626        | \$ 7,408,925        | 8,520,264           |
| EBITDA to 100% Ownership         | 4,034,420           | 5,027,390           | 5,429,396           | 5,966,626           | 7,408,925           | 8,520,264           |
| <b>TexCom Gulf Disposal Site</b> |                     |                     |                     |                     |                     |                     |
| Management Fees                  |                     | \$ 240,000          | \$ 240,000          | \$ 240,000          | \$ 240,000          | \$ 240,000          |
| Net Profits                      |                     |                     |                     | 250,000             | 400,000             | 800,000             |
| EBITDA TexCom's 20%              |                     | \$ 240,000          | \$ 240,000          | \$ 490,000          | \$ 640,000          | \$ 1,040,000        |
| Total Subsidiary Net Profit      | 4,034,420           | 5,267,390           | 5,669,396           | 6,456,626           | 8,048,925           | 9,560,264           |
| TexCom Corporate Overhead        | (1,020,000)         | (1,020,000)         | (1,082,118)         | (1,114,582)         | (1,148,019)         | (1,182,460)         |
| <b>TEXC EBITDA</b>               | <b>\$ 3,014,420</b> | <b>\$ 4,247,390</b> | <b>\$ 4,587,278</b> | <b>\$ 5,342,044</b> | <b>\$ 6,900,906</b> | <b>\$ 8,377,804</b> |
| <b>Per Share</b>                 | <b>\$ 0.06</b>      | <b>\$ 0.08</b>      | <b>\$ 0.09</b>      | <b>\$ 0.10</b>      | <b>\$ 0.13</b>      | <b>\$ 0.16</b>      |
| Est. Shares Outstanding          | 49,549,500          | 52,000,000          | 52,000,000          | 52,000,000          | 52,000,000          | 52,000,000          |

## Notes:

1. EBITDA reflect 100% ownership of M.B. Energy Class II Site by TexCom.
2. Tax loss carryforward at TexCom is approximately \$11 Million.

# Better Case Results (acquisitions are included)

**Better Case Results equate to about 45% revenue growth and 38 % EBITDA growth annually over the next 5 years**

|  |              |              |              |              |               |               |               |               |
|--|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|
| <b>M.B. Energy Class II Site</b>         |              |              |              |              |               |               |               |               |
| Revenue                                  | \$ 3,084,700 | \$ 6,140,000 | \$ 6,838,000 | \$ 8,521,000 | \$ 9,202,366  | \$ 10,112,925 | \$ 12,557,500 | 14,441,125    |
| MB Operating Income                      | \$ 1,644,592 | \$ 4,113,800 | \$ 4,034,420 | \$ 5,027,390 | \$ 5,429,396  | \$ 5,966,626  | \$ 7,408,925  | 8,520,264     |
| EBITDA to TexCom's Ownership             | \$ 605,045   | \$ 1,513,467 | \$ 3,154,420 | \$ 4,297,392 | \$ 5,429,396  | \$ 5,966,626  | \$ 7,408,925  | \$ 8,520,264  |
| <b>TexCom Gulf Disposal Site</b>         |              |              |              |              |               |               |               |               |
| Management Fees                          |              |              |              | \$ 80,000    | \$ 1,800,000  | \$ 3,600,000  | \$ 4,800,000  | \$ 6,000,000  |
| EBITDA to TexCom's 100% Ownership        |              |              |              | \$ 80,000    | \$ 1,242,000  | \$ 2,484,000  | \$ 3,312,000  | \$ 4,140,000  |
| <b>TexCom NORM Decontamination</b>       |              |              |              |              |               |               |               |               |
| Revenue                                  |              |              |              |              | \$ 4,271,000  | \$ 6,900,000  | \$ 9,808,000  | \$ 13,285,000 |
| Net Profit                               |              |              |              |              | \$ 1,256,800  | \$ 2,829,000  | \$ 4,117,000  | \$ 5,669,000  |
| EBITDA to TexCom's 67%                   |              |              |              |              | \$ 640,968    | \$ 1,442,790  | \$ 2,099,670  | \$ 2,891,190  |
| <b>Directed NORM Disposal from Decon</b> |              |              |              |              |               |               |               |               |
| Revenue                                  |              |              |              |              | \$ 5,000,000  | \$ 6,200,000  | \$ 8,000,000  | \$ 10,000,000 |
| Net Profit                               |              |              |              |              | \$ 2,500,000  | \$ 3,100,000  | \$ 4,000,000  | \$ 5,000,000  |
| EBITDA to TexCom's 100% MB Ownership     |              |              |              |              | \$ 2,500,000  | \$ 3,100,000  | \$ 4,000,000  | \$ 5,000,000  |
| Total Subsidiary Revenues                | \$ 3,084,700 | \$ 6,140,000 | \$ 6,838,000 | \$ 8,601,000 | \$ 20,273,366 | \$ 26,812,925 | \$ 35,165,500 | 43,726,125    |
| Total Subsidiary EBITDA                  | \$ 605,045   | \$ 1,513,467 | \$ 3,154,420 | \$ 4,377,392 | \$ 9,812,364  | \$ 12,993,416 | \$ 16,820,595 | \$ 20,551,454 |
| TexCom Corporate Overhead                | (1,500,000)  | (1,500,000)  | (1,020,000)  | (1,020,000)  | (1,082,118)   | (1,214,582)   | (1,248,019)   | (1,385,460)   |
| TEXC EBITDA                              | \$ (894,955) | \$ 13,467    | \$ 2,134,420 | \$ 3,357,392 | \$ 8,730,246  | \$ 11,778,834 | \$ 15,572,576 | \$ 19,165,994 |

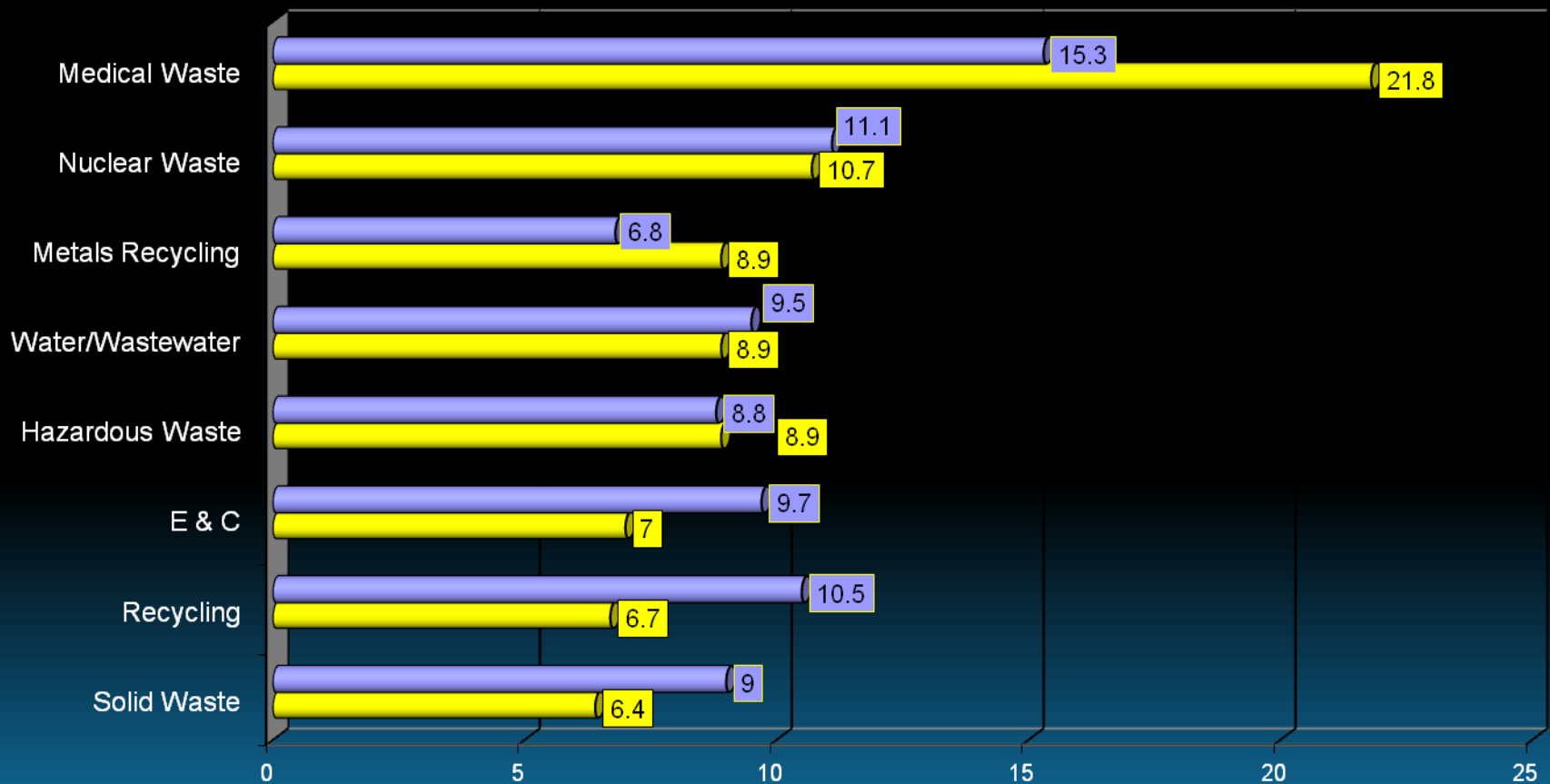
## Notes:

1. Profits reflect TexCom's ownership % in each subsidiary. Ownership in M.B. Class II Site increases to 100% in 2011.
2. Tax loss carryforward at TexCom is approximately \$11 Million.
3. Directed NORM from Decon results from new NORM directed to MB Class II site from NORM Engineering Subsidiary.
4. Significant additional Financing will be required to achieve the results described on this page.

# Environmental Industry Valuations: Price/EBITDA

Median Enterprise Value / LTM EBITDA (3Q 2009 vs 10 Yr. Avg)

■ 10 Year Average ■ Q3

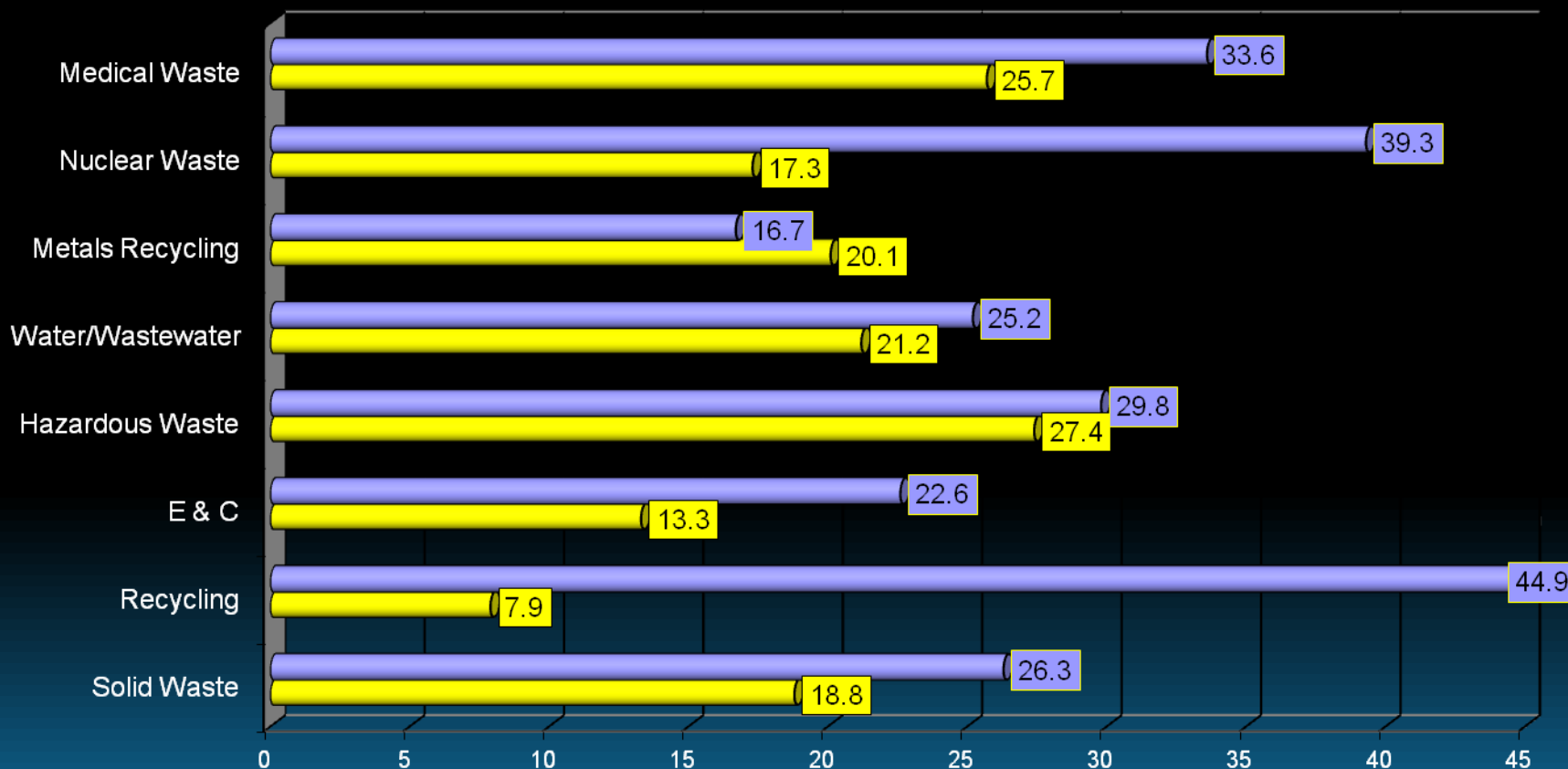


Source: SMH Capital Environmental Services Update Q3 2009

# Environmental Industry Valuations: Price/Earnings

Median Price / LTM Earnings (3Q 2009 vs. 10 Yr Avg)

■ 10 Year Average ■ Q3



Source: SMH Capital Environmental Services Update Q3 2009

# Why TEXTC Now?

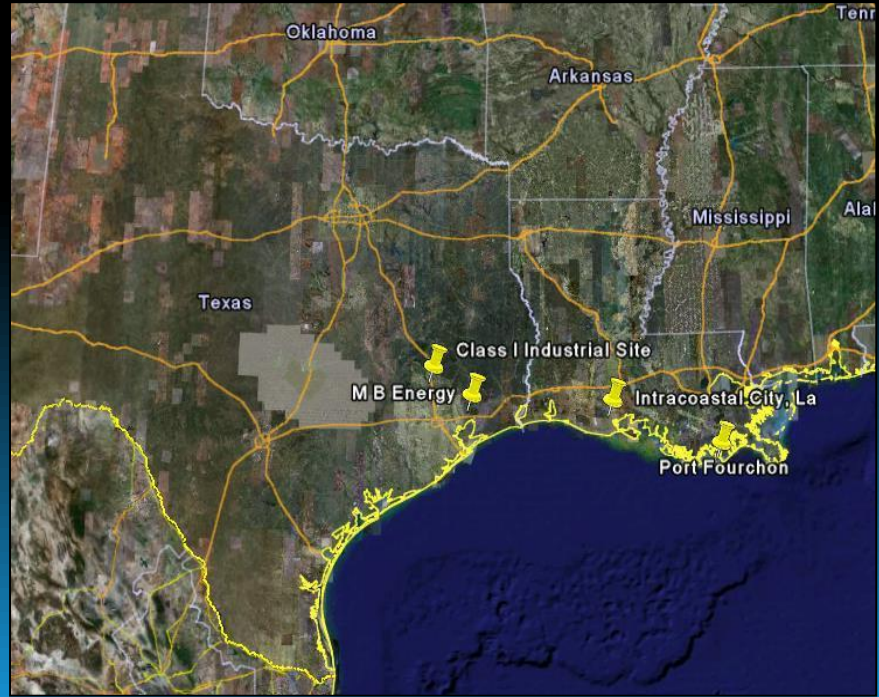
- No blue sky in market valuation
  - Exchange Listed environmental companies trade at 20 + P/E multiples
  - Our 2010 expected earnings are 4 cents per share with no funding
  - We have additional assets under development
- Our earnings are already positive with less than 100% of Class II site
- We are one of a few operating companies in a large NORM market
- We believe that we are uniquely positioned to scale the Environmental Services portion of our business

# Company Management

| Name         | Title  | Background / Experience and Prior Positions   |
|--------------|--|---|
| Lou Ross     | President and Chairman                           | <ul style="list-style-type: none"> <li>▪ Vice President, Planning and Development – Westlake Chemicals</li> <li>▪ Managing Director for Research , Engineering and Business Planning – Chemicals Group of United States Steel Corporation</li> <li>▪ Worldwide Director of Chemicals Business Planning – Gulf Oil Corporation</li> <li>▪ Manager, Planning and Development – Gulf Oil Corporation, Petrochemicals Division</li> </ul> |
| Britt Brooks | Executive Vice President, Secretary and Director | <ul style="list-style-type: none"> <li>▪ Former Vice President and Director – Texas Commercial Resources</li> <li>▪ Director Sabine Resources, Inc.</li> <li>▪ 17 years experience in Small Cap Finance</li> <li>▪ Financial Consultant Merrill Lynch Pierce Fenner &amp; Smith</li> </ul>  |
| Jay Charles  | General Manager, Biodiesel                       | <ul style="list-style-type: none"> <li>▪ Managing Partner – GlobalNet, Inc.</li> <li>▪ Executive Vice President and General Manager – C&amp;L Communications, Inc.</li> <li>▪ Permitted and Developed 3 Biodiesel Plants in Texas</li> </ul>  |
| Matt McEneny | General Manager, Disposal                        | <ul style="list-style-type: none"> <li>▪ Corporate Director, Environmental Health &amp; Safety – Burlington Resources</li> <li>▪ Amoco Production Co. - Regional Safety Engineer</li> </ul>   |
| Don Black    | President , M.B. Environmental Services, LLC     | <ul style="list-style-type: none"> <li>▪ More than 45 years of experience in oil and gas drilling in major oil producing regions around the globe.</li> <li>▪ Spent 12 years in the North Sea as the Drilling Superintendent for six offshore drilling rigs</li> </ul>  |



Our Class II Environmental  
Services Business  
M.B. Environmental Services



# E & P Waste Disposal Drivers

- Non-hazardous Oilfield Waste Disposal (“NOW”)
  - Increase in Active drilling rigs in region
  - Increased No. of producing oil & gas wells in region
  - Uptick in drilling 60% over 2009
- Naturally Occurring Radioactive Material
  - Increased regulatory enforcement
  - Growing Business to Business litigation associated with producing oilfield property transactions
  - Growing compliance lessens the impact of the drilling cycle on TEXC earnings

# What's the Opportunity for TexCom Growth?

**NORM**

Naturally Occurring Radioactive Material



# SCALE DEPOSITED IN A SALTWATER FLOWLINE



# Why is NORM So Important to us?

**Disposal Pricing** – Our average price per barrel for different waste streams and truck washouts in 2009 were as follows:

| Product       | Unit  | Avg. 2009 Price | Truckload Value<br>(120 Barrels) |
|---------------|-------|-----------------|----------------------------------|
| Saltwater     | Bbl   | \$ 0.36         | \$43.20                          |
| Other Liquids | Bbl   | \$ 3.96         | \$475.20                         |
| NORM Waste    | Bbl   | \$ 145.66       | \$17,479.20                      |
| Truck Washout | Truck | \$ 175.75       |                                  |

# What is NORM?

- Radioactive Radium is present everywhere in earth's crust.
- Dissolves in underground saltwater
- Deposits along with other minerals as scale.
- In oil & gas production, scale precipitates from saltwater due to decrease in temperature and pressure.
- In the oilfield, scale builds on well tubing and in surface gathering equipment (pipelines, pumps, and storage tanks).

# How much NORM is out there?

Quote from the Argonne Labs/API study:

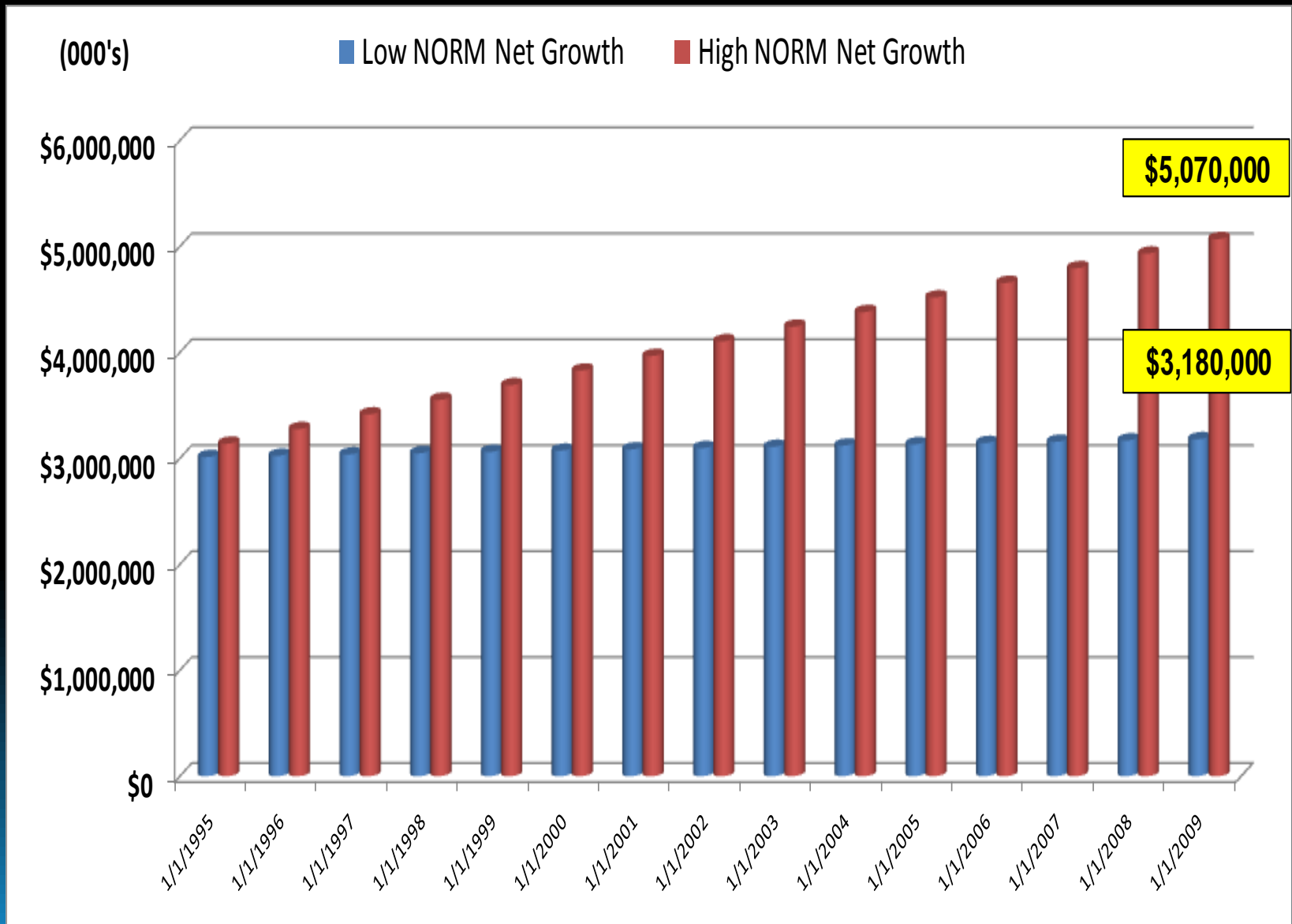
“However, recent reports of NORM in the feed stocks to the downstream refining and processing industry that are not included in this report may indicate an underreporting of the annual NORM accumulation rate of 140,000 drums per year.

Other studies [1.2] have indicated that this annual figure could be four times higher than reported in the questionnaire replies, even after prorating to represent the entire industry”.

**That puts the current value of NORM in the E & P space at \$3.18 Billion to \$5.07 Billion and growing at \$42 Million to \$168 Million a year.**



# Growth of the NORM Pool (net of disposal)



# OUR COMPETITIVE ADVANTAGES

- Most Class II wells inject into depleted oil & gas formations; only accept produced water
- Limited number of Class II wells inject into fractured caprock or salt caverns that can accept solids (rock tailings, drilling muds and NORM scale)
- Even fewer Class II wells are permitted to accept NORM

# How Does TexCom Address the Industry Problem and Exploit the Opportunity?

- We have:
  - The permits in place
  - The right site with required geology
  - Ample disposal capacity
  - Qualified personnel
  - Experience in the business
  - Existing customer base
  - Knowledge

# Representative TexCom Clients

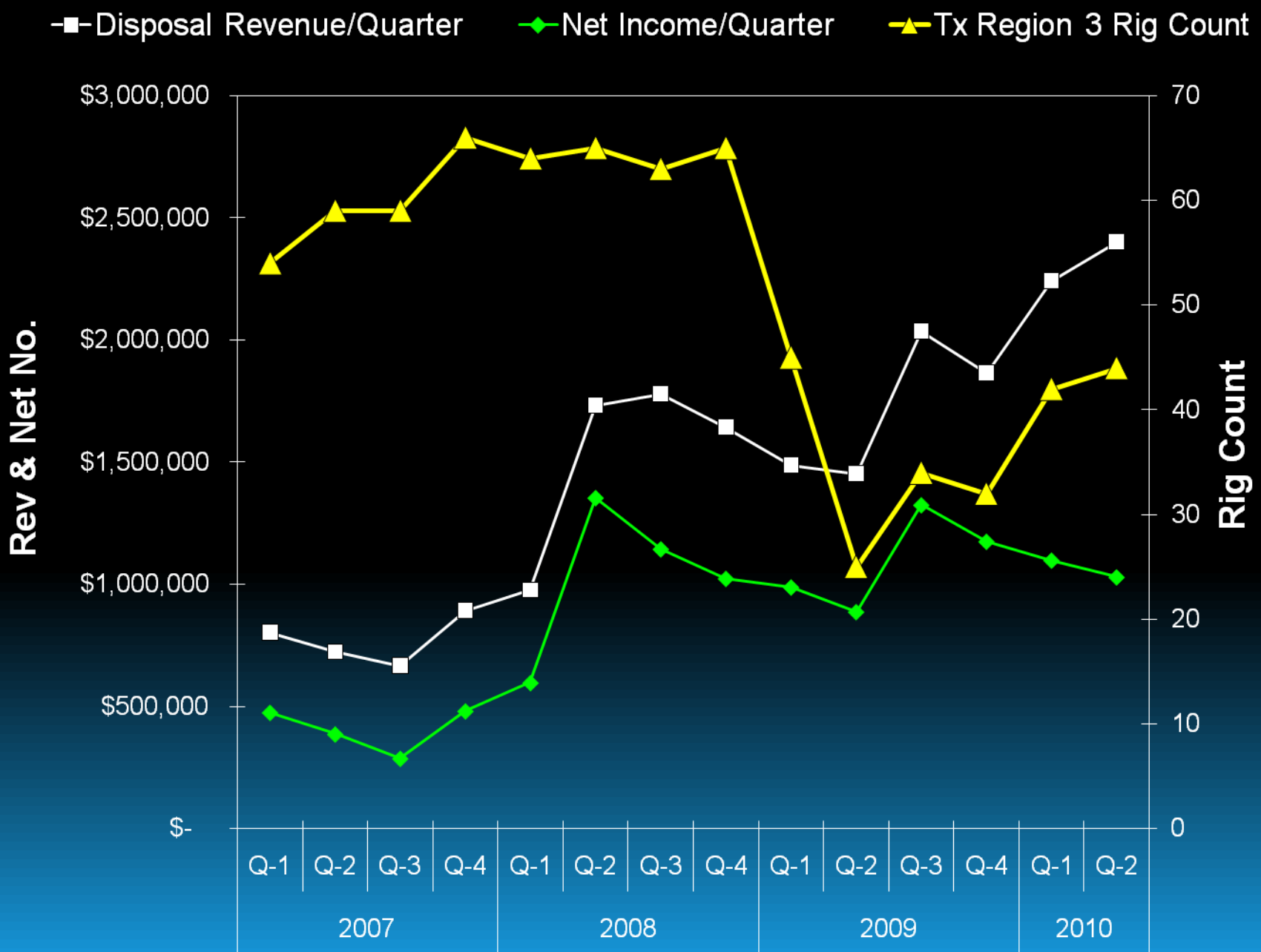
These existing clients are the leaders in virtually every large drilling play in the U.S. **They are also among the first to address environmental compliance.**

|                      |                           |
|----------------------|---------------------------|
| ANADARKO             | FOREST OIL                |
| APACHE CORP.         | HILCORP                   |
| BAKER HUGHES         | KAISER FRANCIS            |
| CHESAPEAKE           | KINDER MORGAN             |
| CONOCOPHILLIPS       | NEWFIELD                  |
| DELTA SEABOARD       | PETROHAWK ENERGY          |
| DENBURY ONSHORE, LLC | PRIDE ENERGY COMPANY      |
| DEVON ENERGY         | RANGE RESOURCES           |
| E.O.G.               | TXCO                      |
| EL PASO PRODUCTION   | UNION OIL & GAS OPERATING |
| EXCO RESOURCES, INC. | XTO                       |

**240 total active account relationships**

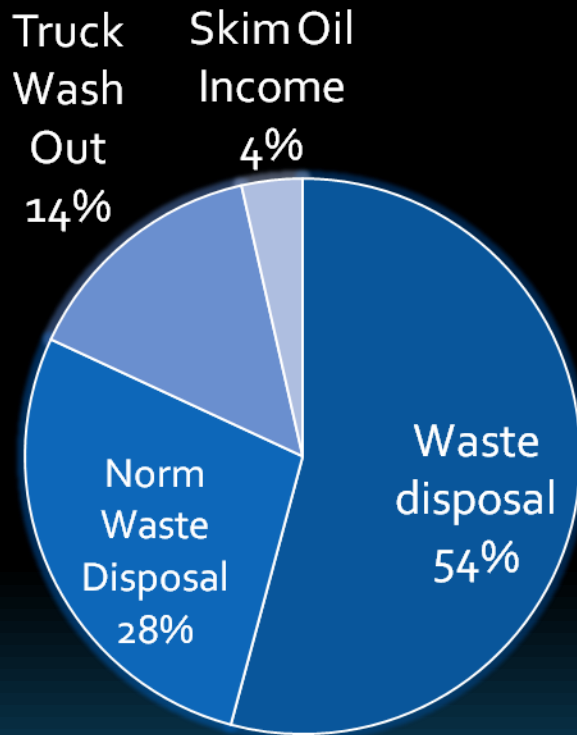
# M.B. Environmental's Revenue vs. Drilling Rig Count

Source: Baker Hughes International



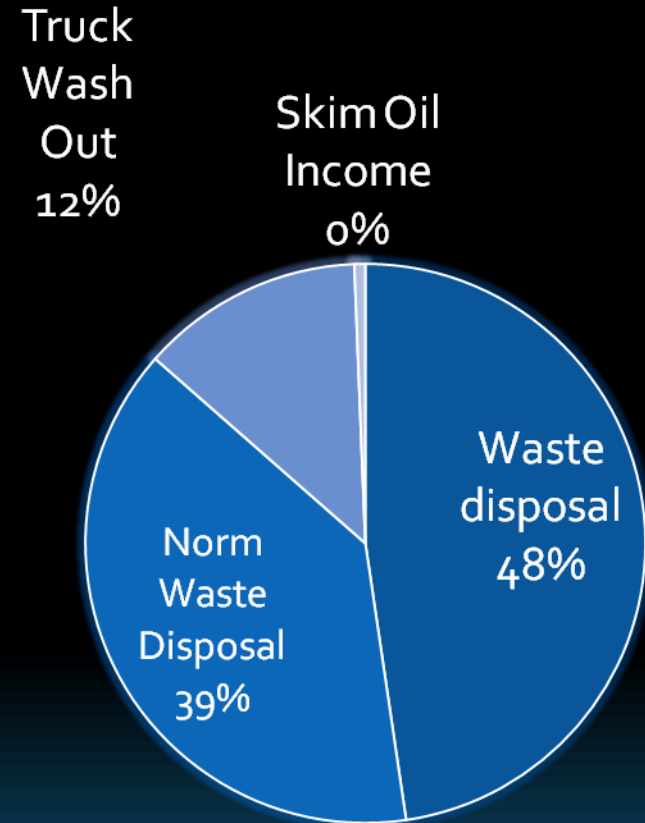
# TEXC's Disposal Revenue Mix

Full Year 2008



Revenue: \$6,197,583

Full Year 2009



Revenue: \$6,838,543

# TexCom's Current Capacity Utilization

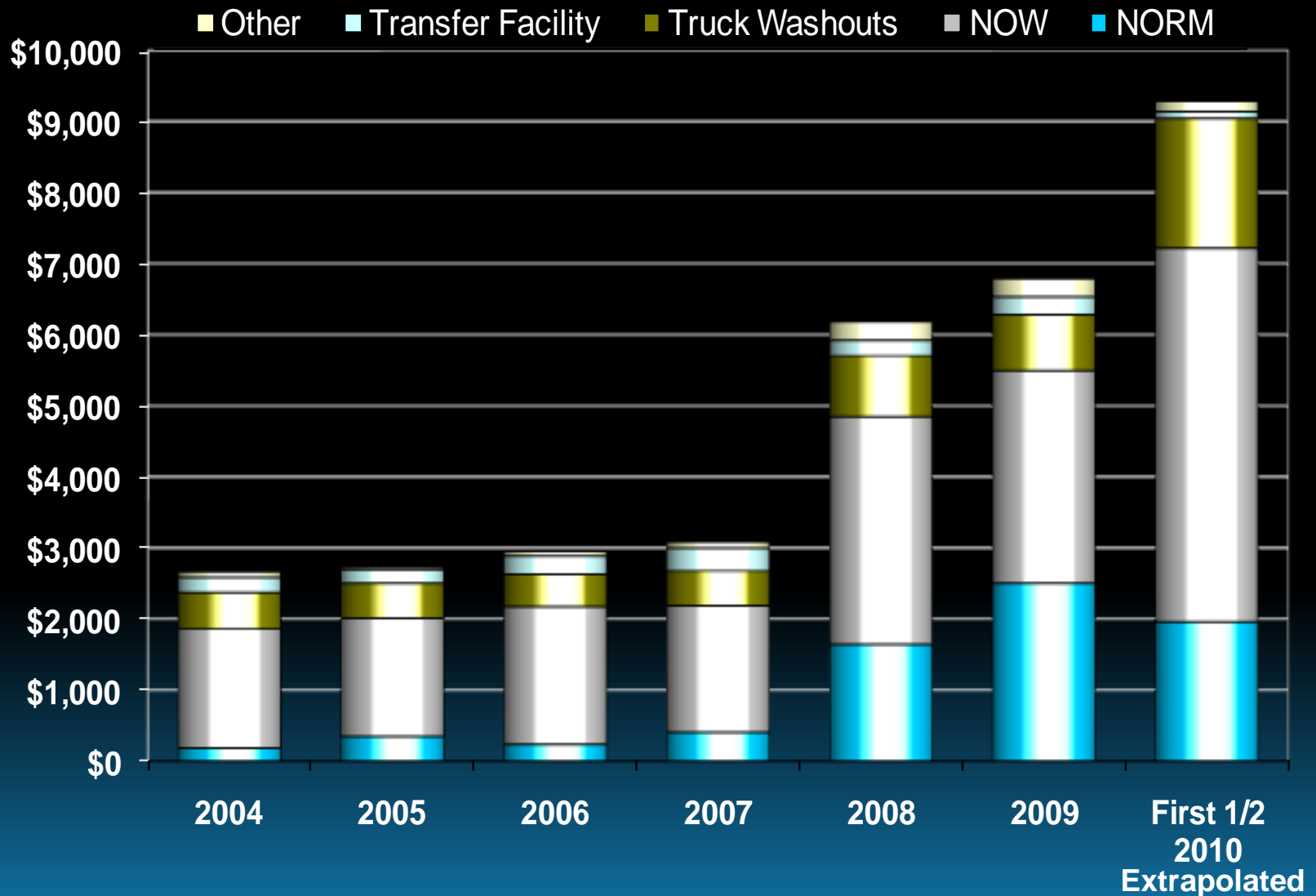


- **Our two wells are permitted for 30,000 barrels/day \***
- **We operate at less than 35% of permitted capacity for N.O.W.**
- **We are using less than 5% of our NORM capacity \*\***

\* Our second well doubled our daily permitted capacity

\*\* TEXC is 1 of 4 companies having commercial NORM injection permits in the U.S.

# Class II Growth in Revenue by Waste Stream

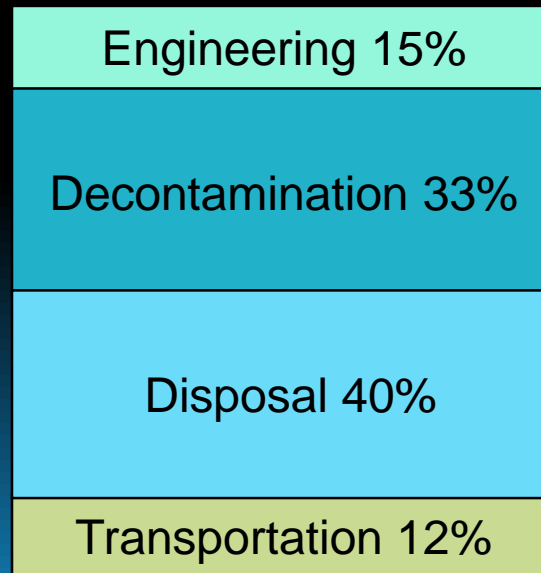




# Vertical Integration

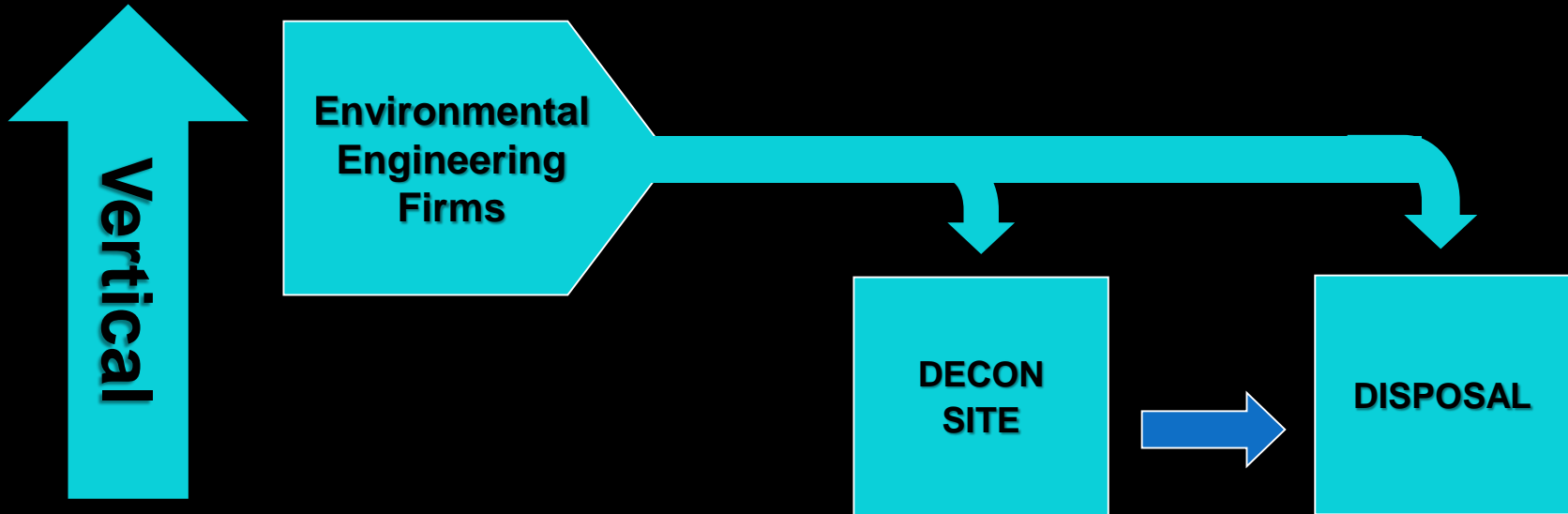
## Advantages of vertical integration into Engineering and Decon.

1. Captures 3 out of the 4 NORM value chain components
2. Engineering/Consulting capability starts the process
3. NORM Engineering firms direct product through the value chain

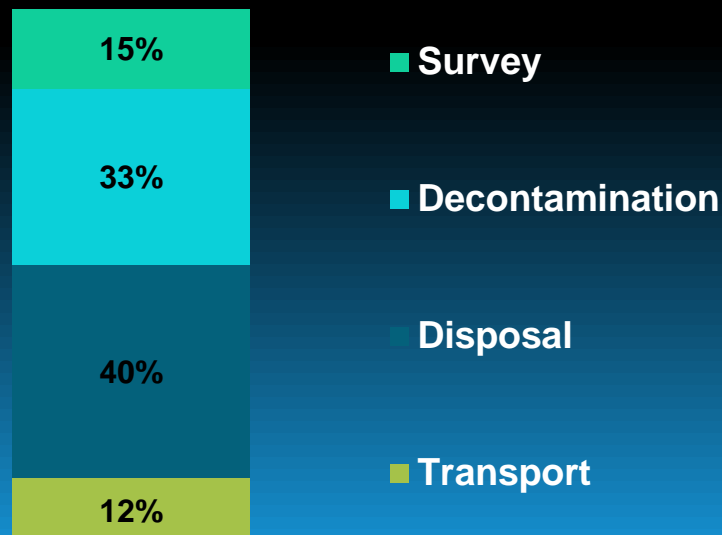


# Vertical Integration in a Large Market

TexCom is working to position upstream in NORM Engineering and NORM Decontamination

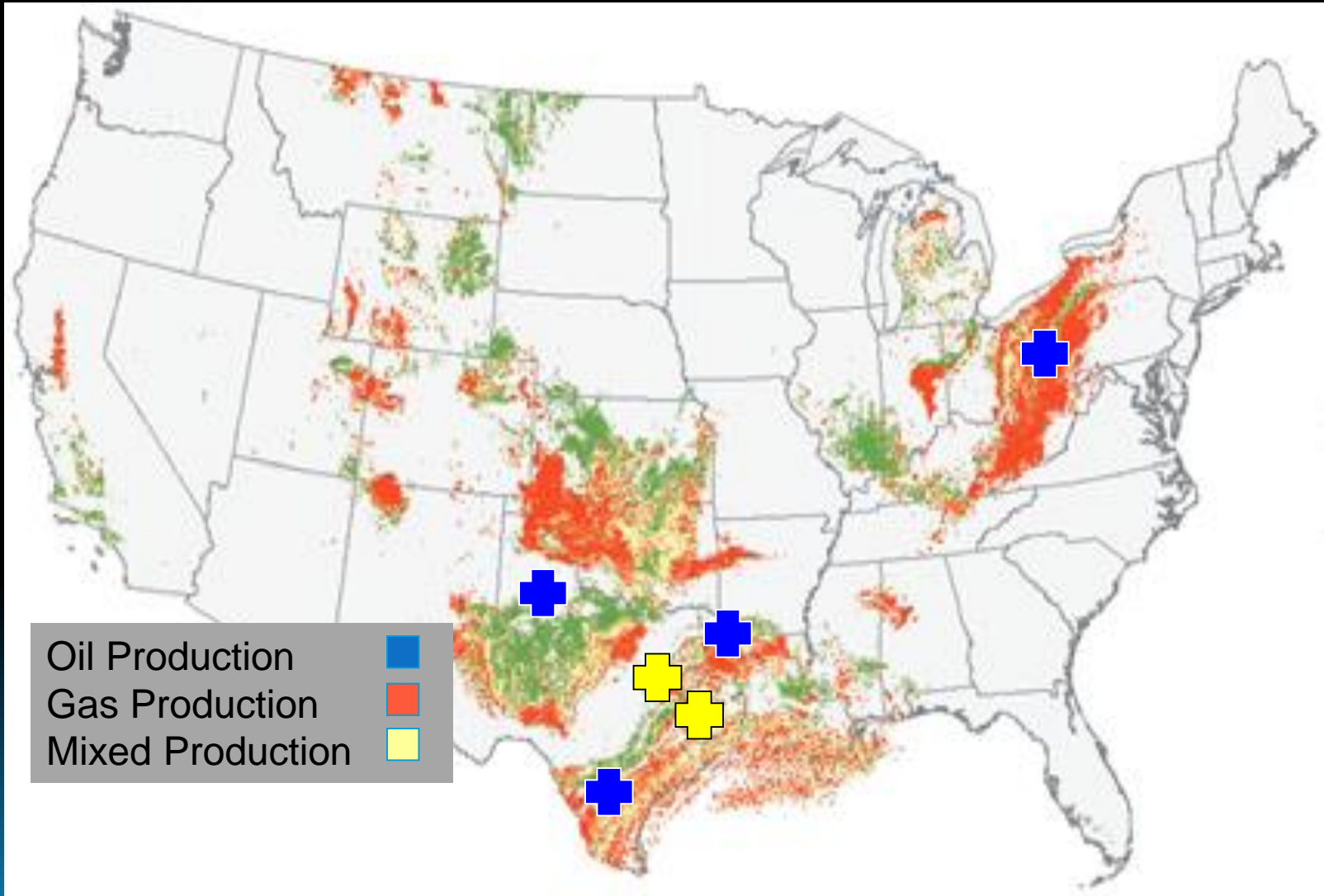


Capture 88% of the Value Chain



# Horizontal Integration

- Existing Sites
- Expansion potential



# Pathway to Major Growth in NORM Disposal

- Vertically Integrate into Engineering Services and Decontamination Operations.
- Acquire and Joint Venture with Licensed Engineering Service and Decontamination Companies.
- Acquire or expand NORM disposal capacity
- Target Marketing to Major E&P Companies
- Target Marketing to Key E&P production fields

Our Class I Industrial  
Wastewater Business  
TexCom Gulf Disposal, LLC.

# What is a Class I Well?

Class I wells inject hazardous and non-hazardous wastes into deep, isolated rock formations that are thousands of feet below the lowermost underground sources of drinking water (USDW). Class I wells are used mainly by the following industries:

- Petroleum Refining
- Metal Production
- Chemical Production
- Pharmaceutical Production
- Commercial Disposal
- Food Production
- Municipal Wastewater Treatment

# Requirements for All Class I Wells

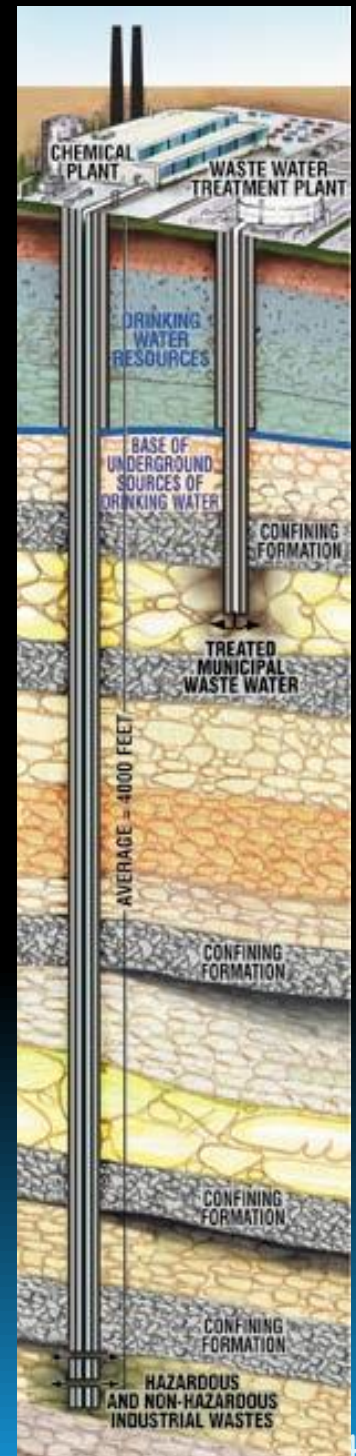
**Geologic Studies** of the injection and confining zones to determine that:

- The receiving formations are sufficiently permeable, porous, homogeneous, and thick enough to receive the fluids at the proposed injection rate without requiring excessive pressure
- Formations are large enough to prevent pressure buildup and injected fluid would not reach aquifer recharge areas
- There is a low-permeability confining zone to prevent vertical migration of injection fluids
- Injected fluids are compatible with well materials and with rock and fluid in injection zone
- The area is geologically stable
- The injection zone has no other economic value

# How does it work?

There are approximately 550 Class I wells in the United States. The geology of the Gulf Coast and the Great Lakes area is best suited for these types of wells, and most Class I wells are found in these regions.

The construction, permitting, operating, and monitoring requirements are more stringent for Class I hazardous wells than for the other types of injection wells.





# TexCom Gulf Disposal, LLC

## **Class I Non-hazardous Industrial Wastewater Disposal**

- TexCom developed project and holds a 20% interest
- Limited number of Class I wells in commercial operation  
There are no others in Montgomery County at present
- Existing and completed well on 27 acres
- Deep well injection at 6,500 feet
- Near to Greater Houston refining/petrochemical complex
- Permit allows injection of 12,000 bbls/day \$20 Million Revenue/Year
- Large anchor customer nearby
- Action on permit expected Q-4 2010

# Class I Deep Well Injection Proforma

|                                    | 180,000,000  | 180,000,000  | 180,000,000   |
|------------------------------------|--------------|--------------|---------------|
| Capacity Limit (gal/yr)            |              |              |               |
| Utilization Rate                   | 20%          | 40%          | 60%           |
| Gross Income                       |              |              |               |
| Volume (gal)                       | 36,000,000   | 72,000,000   | 108,000,000   |
| Rate (gal)                         | \$ 0.12      | \$ 0.12      | \$ 0.12       |
| Revenue                            | \$ 4,320,000 | \$ 8,640,000 | \$ 12,960,000 |
| Electricity                        | 360,000      | 720,000      | 1,080,000     |
| G & A Expense                      |              |              |               |
| Professional Fees (Lgl, Engr, CPA) | 125,000      | 150,000      | 175,000       |
| General & Administrative           | 144,000      | 288,000      | 200,000       |
| Bonds & Insurance                  | 75,000       | 75,000       | 75,000        |
| Salary                             | 500,000      | 1,000,000    | 1,500,000     |
| Other Expense                      | 48,000       | 96,000       | 144,000       |
| Property Taxes                     | 75,000       | 75,000       | 75,000        |
| Total Gross Expense                | 1,327,000    | 2,404,000    | 3,249,000     |
| EBITDA                             | 2,993,000    | 6,236,000    | 9,711,000     |
|                                    | 69%          | 72%          | 75%           |
| To TEXC's 20% Interest             | \$ 598,600   | \$ 1,247,200 | \$ 1,942,200  |

## Proforma Pricing

|                        |         |
|------------------------|---------|
| Per Bbl Pricing        | \$ 5.04 |
| Daily Bbl's Per Permit | 12,000  |

Funded

How are other Environmental  
Companies Valued?

# TEXC's Relative Valuation

| Name                        | Symbol      | Last price    | Mkt cap (millions) | E.P.S.         | P/E Ratio  | P/Sales Ratio |
|-----------------------------|-------------|---------------|--------------------|----------------|------------|---------------|
| Casella Waste Systems Inc.  | CWST        | \$4.19        | 109.65             | \$ 0.59        | 7.1        | 0.21          |
| Clean Harbors, Inc.         | CLH         | \$67.55       | 1,775.24           | \$ 3.31        | 20.4       | 1.17          |
| Covanta Holding Corporation | CVA         | \$15.04       | 2,342.12           | \$ 0.56        | 26.9       | 1.38          |
| Layne Christensen Company   | LAYN        | \$24.51       | 478.08             | \$ 1.13        | 21.7       | 0.51          |
| Newpark Resources           | NR          | \$8.98        | 807.10             | \$ 0.21        | 42.8       | 1.35          |
| Republic Services, Inc.     | RSG         | \$31.21       | 11,953.43          | \$ 0.99        | 31.5       | 1.46          |
| US Ecology Inc.             | ECOL        | \$14.51       | 265.61             | \$ 0.60        | 24.2       | 2.48          |
| Waste Management, Inc.      | WM          | \$35.00       | 16,710.25          | \$ 2.08        | 16.8       | 1.36          |
| Average                     |             |               |                    |                | 23.92      | 1.24          |
| <b>TexCom, Inc.</b>         | <b>TEXC</b> | <b>\$0.20</b> | <b>10.34</b>       | <b>\$ 0.04</b> | <b>5.4</b> | <b>0.96</b>   |
|                             |             |               |                    |                | <b>23%</b> | <b>77%</b>    |

Source: Google Finance values as of 9/17/2010

# Why TEXTC Now?

- No blue sky in market valuation
  - We trade inexpensively on a relative basis to our peers
  - We are growing at a far greater rate than our Price/Earnings Ratio
  - We have taken most of the steps to be full filing
- Our earnings are already positive with less than 100% of Class II site
- We are one of a few operating companies in a large NORM market.
- We can grow by opening new sites and doing more of what we do now.

# Again, Why TEXC Now?

## Data Provided by Capital I.Q. except where noted

### Valuation Measures

|  |        |
|--|--------|
| Market Cap (intraday) <sup>5</sup> :           | 9.76M  |
| Enterprise Value (Sep 20, 2010) <sup>3</sup> : | 16.33M |
| Trailing P/E (ttm, intraday):                  | 5.41   |
| Forward P/E (fye Dec 31, 2011) <sup>1</sup> :  | N/A    |
| PEG Ratio (5 yr expected) <sup>1</sup> :       | N/A    |
| Price/Sales (ttm):                             | 1.19   |
| Price/Book (mrq):                              | N/A    |
| Enterprise Value/Revenue (ttm) <sup>3</sup> :  | 1.9    |
| Enterprise Value/EBITDA (ttm) <sup>3</sup> :   | 4.78   |

### Financial Highlights

#### Fiscal Year

|                            |           |
|----------------------------|-----------|
| Fiscal Year Ends:          | 31-Dec    |
| Most Recent Quarter (mrq): | 30-Jun-10 |

**Abbreviation Guide:** **K** = Thousands; **M** = Millions; **B** = Billions

**mrq** = Most Recent Quarter (as of Jun 30, 2010)  
**ttm** = Trailing Twelve Months (as of Jun 30, 2010)  
**yoy** = Year Over Year (as of Jun 30, 2010)  
**lfy** = Last Fiscal Year (as of Dec 31, 2009)  
**fye** = Fiscal Year Ending

1. Data provided by Thompson
2. Data provided by Edgar Online
3. Data derived from multiple sources or calculated by Yahoo Finance
4. Data provided by Morningstar, Inc.
5. Shares outstanding is calculated from the most recent ly filed quarterly or annual report and Market Cap is calculated using shares outstanding.

### Profitability

|                         |        |
|-------------------------|--------|
| Profit Margin (ttm):    | 22.80% |
| Operating Margin (ttm): | 38.31% |

### Management Effectiveness

|                         |        |
|-------------------------|--------|
| Return on Assets (ttm): | 42.89% |
| Return on Equity (ttm): | N/A    |

### Income Statement

|                                 |        |
|---------------------------------|--------|
| Revenue (ttm):                  | 8.60M  |
| Revenue Per Share (ttm):        | 0.16   |
| Qtrly Revenue Growth (yoy):     | 73.00% |
| Gross Profit (ttm):             | N/A    |
| EBITDA (ttm):                   | 3.42M  |
| Net Income Avl to Common (ttm): | 1.96M  |
| Diluted EPS (ttm):              | 0.04   |
| Qtrly Earnings Growth (yoy):    | N/A    |