

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2012
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☐ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>ODESSA PUMPS & EQUIPMENT, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ► <u>002</u> 1c Effective date of plan <u>01/01/2011</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>ODESSA PUMPS & EQUIPMENT, INC.</u> <u>3209 N. COUNTY ROAD WEST</u> <u>ODESSA, TX 79764</u>	2b Employer Identification Number (EIN) <u>75-1720387</u> 2c Sponsor's telephone number <u>432-368-8990</u> 2d Business code (see instructions) <u>423990</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>07/26/2013</u>	<u>SONDRA EOFF</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address ODESSA PUMPS & EQUIPMENT, INC. 3209 N. COUNTY ROAD WEST ODESSA, TX 79764		3b Administrator's EIN 75-1720387 3c Administrator's telephone number 432-368-8990
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 147
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	155
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	9
d Subtotal. Add lines 6a , 6b , and 6c	6d	164
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	2
f Total. Add lines 6d and 6e	6f	166
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	166
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	12
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 21 20		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2012 This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
A Name of plan <u>ODESSA PUMPS & EQUIPMENT, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ODESSA PUMPS & EQUIPMENT, INC.</u>	D Employer Identification Number (EIN) <u>75-1720387</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1	Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	1000000	
	(2) Participant contributions	1b(2)		
	(3) Other	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		3008144
	(2) U.S. Government securities	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1000000	3008144

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1000000	3008144
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2000000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	8144	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		8144
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2008144

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		0
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		0

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		2008144
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: RANDY SILHAN, CPA, CFE

(2) EIN: 26-2515308

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		250000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>ODESSA PUMPS & EQUIPMENT, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ODESSA PUMPS & EQUIPMENT, INC.</u>	D Employer Identification Number (EIN) <u>75-1720387</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>45-3991307</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☒ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☒ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**ODESSA PUMPS & EQUIPMENT INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

DECEMBER 31, 2012 and 2011

**ODESSA PUMPS & EQUIPMENT INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

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**RANDY SILHAN, CPA, CFE
CERTIFIED PUBLIC ACCOUNTANT
CERTIFIED FRAUD EXAMINER
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INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of the
Odessa Pumps & Equipment, Inc. Employee Stock Ownership Plan

Report on the Financial Statements

I have audited the accompanying financial statements of the Odessa Pumps & Equipment, Inc. Employee Stock Ownership Plan (the Plan), which comprise the statements of net assets available for benefits of as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended.

Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2012 and 2011, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

My audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets held at end of year, referred to as "supplemental information," is presented for the purpose of additional analysis and are not a required part of the financial statements but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Odessa, Texas
July 26, 2013

ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2012 AND 2011

	<u>2012</u> Unallocated	<u>2011</u> Unallocated
ASSETS		
Trustee-directed investments at fair value	\$ 2,979,933	\$ -
Cash and cash equivalents	28,211	-
Employer contributions receivable	<u>-</u>	<u>1,000,000</u>
 TOTAL ASSETS	 <u><u>\$ 3,008,144</u></u>	 <u><u>\$ 1,000,000</u></u>
 LIABILITIES & NET ASSETS AVAILABLE FOR BENEFITS		
 TOTAL LIABILITIES	 <u>\$ -</u>	 <u>\$ -</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 3,008,144</u></u>	 <u><u>\$ 1,000,000</u></u>

The accompanying notes are an integral part of these financial statements

**ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>2012</u> Unallocated	<u>2011</u> Unallocated
ADDITIONS TO NET ASSETS		
ATTRIBUTED TO:		
Investment Income (Loss):		
Interest income	\$ 19,973	\$ -
Net appreciation (depreciation) in fair value of investments	(11,829)	-
Total Investment Income (Loss)	<u>8,144</u>	<u>-</u>
Contributions:		
Employer	2,000,000	1,000,000
Total Contributions	<u>2,000,000</u>	<u>1,000,000</u>
 TOTAL ADDITIONS	 <u>2,008,144</u>	 <u>1,000,000</u>
 DEDUCTIONS FROM NET ASSETS		
ATTRIBUTED TO:		
Administrative Expenses	<u>-</u>	<u>-</u>
 TOTAL DEDUCTIONS	 <u>-</u>	 <u>-</u>
 NET INCREASE (DECREASE)	 <u>2,008,144</u>	 <u>1,000,000</u>
 NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of the Year	<u>1,000,000</u>	<u>-</u>
End of the Year	<u><u>\$ 3,008,144</u></u>	<u><u>\$ 1,000,000</u></u>

The accompanying notes are an integral part of these statements.

**ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 and 2011**

NOTE 1: DESCRIPTION OF PLAN

The following description of the Odessa Pumps & Equipment, Inc. Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions. The Plan Sponsor (i.e. the Company, Employer) is Odessa Pumps & Equipment, Inc.

This Plan, effective as of January 1, 2011, is intended to qualify as an Employee Stock Ownership Plan, as defined in Section 4975(e)(7) of the Internal Revenue Code (hereinafter referred to as the "Code"). In addition, in accordance with Section 54.4975-11(a)(5) of the Treasury Regulations, this Plan also forms a portion of the Plan which is a Stock Bonus Plan, which is intended to qualify under Section 401(a) of the Code. This Plan reflects the applicable provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") and the guidance issued thereunder. This Plan reflects the applicable provisions of the Pension Protection Act of 2006 ("PPA'06"), as well as the applicable provisions of the final regulations under Code Section 415 (the "Final § 415 Regulations") and the applicable provisions of the Heroes Earnings Assistance and Relief Tax Act of 2008 ("HEART '08").

The plan is administered by an Administration Committee appointed by the sponsor company's board of directors. The individual owners of the Company serve as the Plan's trustees.

Contributions

The Company funded the Plan for two years before selling the stock to the Plan in June 2013, in order for the Plan to not have to borrow money to buy stock. For the year ended December 31, 2011, the Plan had no investments or marketable assets. The Plan was funded in March 2012 with an initial contribution of \$1,000,000 and later in November 2012 with a contribution of \$2,000,000.

Contributions shall be made to the Trust in such amounts as may be determined by the Company's Board of Directors, provided that such Contributions shall not exceed the maximum amounts deductible under Section 404(a)(3) and, during any C corporation year, Section 404(a)(9) of the IRC. Notwithstanding the foregoing, Contributions may not be made in amounts which would permit the limitation described in Section 11(b) of the Plan to be exceeded. Contributions for each year, as determined by the Company's Board of Directors, shall be paid to the Trust not later than the due date for filing the Company's federal income tax return for that year, including extensions of such date.

Contributions may be paid in cash or shares of Company Stock as the Company's Board of Directors may from time to time determine in their discretion. Shares of Company Stock will be valued at their then fair market value.

Eligibility

Each employee shall become eligible to participate in the Plan from and after the entry date coinciding with or next following the date on which the employee has completed a year of service (1,000 hours during the plan year), measured during the eligibility computation period, and provided the employee has attained age twenty-one (21). All Employees who were employed by the employer on the effective date of this Plan are automatically eligible to participate in this Plan as of the effective Date.

ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 and 2011

NOTE 1: DESCRIPTION OF PLAN - continued

Distribution of Benefits

In the event of a participant's separation from service due to death, disability or after attaining normal retirement age, subject to Subsection 14(e) of the Plan, distribution of a participant's plan benefit shall commence during the following plan year, beginning not later than one year after the close of the plan year in which such event occurs. Distributions for other separations from service will commence as soon as administratively feasible during the sixth plan year following the plan year in which the participant's employment terminates. Distribution of such accounts will be made in substantially equal annual installments over a period of five years. The Trust, as determined by the Company, may distribute such participant's plan benefit entirely in cash or entirely in the form of employer securities, or a combination of each. Distributions made in the form of employer securities shall be made in the form of whole shares of employer securities with the value of any fractional shares paid in cash.

Voting Rights

All company stock held by the Trust shall be voted by the Trustee in accordance with instructions from the Committee. Notwithstanding the foregoing, participants and/or beneficiaries shall be entitled to direct the voting of any voting shares of company stock allocated to their accounts with respect to any vote required for the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all the assets of a trade or business, or other similar transactions prescribed by regulation. In accordance with instructions from the Committee, the Trustee shall vote any unallocated shares held by the Trust as well as any allocated shares for which a participant has failed to give timely voting direction.

Plan Termination

Although the Company has established the Plan with the bona fide intention and expectation that it will be able to make contributions indefinitely, nevertheless, the Company shall not be under any obligation or liability to continue its contributions or to maintain the Plan for any given length of time. The Company may in its sole discretion discontinue such contributions or terminate the Plan in whole or in part in accordance with its provisions at any time without any liability for such discontinuance or termination. In the event of a termination or complete discontinuance of contribution, then the accounts of all participants affected by the termination or discontinuance of contributions will become non-forfeitable. In the event of a partial termination, the accounts of all participants affected by the partial termination will become non-forfeitable. After termination of the Plan, the Trust will be maintained until the plan benefits of all participants have been distributed. plan benefits may be distributed following termination of the Plan or distributions may be deferred and distributed as provided in the Plan, as the Company shall determine. If plan benefits will be distributed after the Plan is terminated, the distribution may be delayed until IRS approval is received.

ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 and 2011

NOTE 1: DESCRIPTION OF PLAN - continued

Participant Accounts

The plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of each anniversary date of with an allocation of shares of the company's common stock released by the trustee from the unallocated account and forfeitures of terminated participants' non-vested accounts. Only those participants who are eligible employees of the company as of the last day of the plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation.

Vesting

If a participant's employment with the company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her account based on total years of service with the company. Participants vest 20 percent per year after two years of service and are 100 percent vested after six years of service.

Put Option

Under federal income tax regulations, the employer stock that is held by the plan and its participants and is not readily tradable on an established market, or is subject to trading limitations includes a put option. The put option is a right to demand that the company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in company common stock into investments, which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a 6-year period. In each of the first 5 years, a participant may diversify up to 25 percent of the shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent. Participants who elect to diversify receive a cash distribution.

Participant Accounts & Forfeitures.

Employer contributions and plan forfeitures are allocated to each participant's account in the proportion that each such participant's covered compensation bears to the total covered compensation of all such participants for that year.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared under the accrual basis of accounting.

ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 and 2011

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets at the date of the financial statements and the reported amounts of revenues and expense during the reporting period. Actual results may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan investments consist of a money market account and fixed income securities, such as mortgage backed securities and U.S. government securities. These investments are reported in the statement of net assets available for benefits as trustee-directed investments. Fixed income securities are valued at the closing price reported on the active market on which the individual securities are traded.

The net appreciation (depreciation) in the fair value of all of these investments consists of realized and unrealized gains or losses less investment fees. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. The shares of company common stock will be valued at estimated fair value once the Plan has acquired the stock. As previously stated, the Company intends to fund the Plan with adequate liquidity in order to purchase the company stock (employer securities) without borrowing from a third party lender.

Operating expenses

The Plan sponsor absorbs the operating expenses associated with administering the plan. Net investment income reflects certain fees paid by the Plan to their investment advisors and wealth management service provider. These fees totaled \$8,658 in 2012 and \$-0- in 2011.

Risks & Uncertainties

The Plan provides for various investment options in a combination of various securities that are subject to certain market risks, interest rates, and credit risks. Due to the risks associated with these investments, there is a level of uncertainty related to changes in the value of the investment securities; therefore it is reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statement of changes in assets available for benefits.

New Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in US GAAP and IFRSs" (ASU 2011-04), which amends the FASB Standards Codification to change the wording used to describe many of the requirements in U.S. GAAP for measuring fair value and for disclosing information about fair value measurements. ASU 2011-04 is effective for annual reporting periods beginning after December 15, 2011. The adoption of ASU 2011-04 did not have a significant impact on the Plan's financial position, results of operations, or disclosures.

**ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 and 2011**

NOTE 3: FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access. Quoted market prices are used to value mutual funds and money market accounts. Shares of mutual funds are valued at quoted market prices that represent the net asset value of shares held by the Plan at year-end. Common stocks, preferred & fixed rate securities, corporate bonds and U.S. government securities are valued at the closing price reported on the active market on which the individual securities are traded.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2012. (The Plan held no investments in 2011)

<u>December 31, 2012</u>	<u>Fair Value</u>	<u>(Level 1)</u>
<u>Mutual funds:</u>		
Money market fund	\$ 2,000,018	\$ 2,000,018
Fixed income securities	979,915	979,915
Total	<u>\$ 2,979,933</u>	<u>\$ 2,979,933</u>

**ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 and 2011**

NOTE 4: INVESTMENTS

The following individual investments represent five percent (5%) or more of the Plan's net assets as calculated at December 31:

	<u>2012</u>
Trustee-directed: Cargile Investment Money Market Account	\$2,000,000

The Plan held no investments in 2011.

Net appreciation (depreciation) in the fair value of investments is as follows for the years ended December 31:

	<u>2012</u>	<u>2011</u>
Fixed income securities	<u>\$(11,829)</u>	<u>\$ -</u>

NOTE 5: PARTIES-IN-INTEREST

City Bank Wealth Management and Cargile Investment Management provide investment advisory services to the Plan. These services include fixed income securities managed by City Bank Wealth Management and a money market account held by Cargile Investment Management. Investment consultation and advisory fees paid by the plan qualify as party-in-interest transactions. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are exempt from the prohibition of party-in-interest transactions under ERISA. These fees totaled \$8,658 in 2012. Additionally, since the Company is the Plan sponsor, the Company's payment of certain administrative expenses on behalf of the Plan constitutes party-in-interest transactions. In each case, these are exempt party-in-interest transactions under ERISA.

NOTE 6: INCOME TAX STATUS

The Plan and related trust have applied for a determination by the Internal Revenue Service that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code and are not subject to tax under present regulations. The application and related fee was filed in April 2012. As of the date of this report, no determination has been made. However, the Plan administrative committee and Plan's tax counsel believe that the Plan is being operated in compliance with applicable requirements of the Internal Revenue Code.

Additionally, GAAP requires Plan management to evaluate the tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012 and 2011, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. Federal tax filings generally remain subject to examination for three years after original filing.

**ODESSA PUMPS & EQUIPMENT, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 and 2011**

NOTE 7: ADMINISTRATION OF PLAN ASSETS

The Administrative Committee as appointed by the Board of Directors of the Company is responsible for the administration of the plan. The Plan's assets are held by the Trustee of the Plan. Company contributions are held and managed by the Trustee, which may cash received, interest, and dividend income and makes distributions to participants. Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. The Company shall pay all expenses in connection with the design, establishment, or termination of the Plan. The Trust shall pay all costs of administering the Plan, unless such expenses are paid by the Company.

NOTE 8: SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 26, 2013, the date which the financial statements were available to be issued. The Plan purchased common stock of the Company in the amount of \$2,500,000 in June 2013. No other significant subsequent events have occurred that would require disclosure in the notes or recognition in the financial statements.

SUPPLEMENTAL SCHEDULE

ODESSA PUMPS & EQUIPMENT, INC. EMPLOYEE STOCK OWNERSHIP PLAN

75-1720387

Form 5500, Schedule H, Part IV, Line 4i

Plan #002

Schedule of Assets (Held at End of Year)

December 31, 2012

(a)	(b)	(c)	(d)	(e)
	Identity of issuer, borrower, lessor or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value
	<u>Trustee-directed:</u>			
*	Cargile Investment Management	Money market fund	\$ 2,000,000	\$ 2,000,018
	Arab Republic of Egypt 4.45%	Fixed income security	39,434	39,852
	Federal Farm Credit Banks Debenture 5%	Fixed income security	40,899	41,135
	Federal Home Loan Banks Debenture 5.25%	Fixed income security	64,154	64,414
	FNMA Remic Trust 2%	Fixed income security	36,086	35,935
	FHLMC Remic Series 2.5%	Fixed income security	39,572	39,411
	FHLMC Remic Series 3.5%	Fixed income security	28,207	28,040
	FHLMC Remic Series 2.5%	Fixed income security	21,436	21,431
	FHLMC Remic Series 3%	Fixed income security	20,836	20,764
	FHLMC Remic Series 2.5%	Fixed income security	19,663	19,857
	FHLMC Remic Series 5%	Fixed income security	17,419	17,398
	FHLMC Remic Series 5.5%	Fixed income security	10,129	10,007
	FHLMC Remic Series 5.5%	Fixed income security	13,793	13,596
	GNMA Remic Trust 4.5%	Fixed income security	14,344	14,429
	GNMA Remic Trust 4%	Fixed income security	30,044	30,371
	GNMA Remic Trust 3%	Fixed income security	26,806	26,409
	GNMA Remic Trust 3%	Fixed income security	21,579	21,374
	GNMA Remic Trust 3%	Fixed income security	31,681	31,800
	GNMA Remic Trust 3.5%	Fixed income security	27,913	27,420
	GNMA Remic Trust 4%	Fixed income security	25,806	25,930
	GNMA Remic Trust 1.732%	Fixed income security	49,923	50,552
	Private Export Funding Corp 4.375%	Fixed income security	22,712	23,853
	Private Export Funding Corp 2.8%	Fixed income security	22,608	22,519
	Private Export Funding Corp 1.375%	Fixed income security	24,263	24,675
	Small Business Administration Part CTF 2.85%	Fixed income security	29,605	30,185
	Tennessee Valley Authority Debenture 5.5%	Fixed income security	46,006	47,167
	U.S. Treasury Notes 4.875%	Fixed income security	48,957	49,772
	U.S. Treasury Notes 4%	Fixed income security	88,691	91,650
	U.S. Treasury Notes 3.5%	Fixed income security	48,806	51,085
	U.S. Treasury Notes 1.875%	Fixed income security	39,143	39,473
	Vendee Mtg Trust 3.75%	Fixed income security	19,174	19,411
			<u>\$ 2,969,689</u>	<u>\$ 2,979,933</u>

* Qualifies as a party-in-interest

See independent auditor's report