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10-K/A

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

FORM 10-K/A

(Amendment No. 1)

(Mark One)

? ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended**: December 31, 2021**
or

? TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from _______ to ___________

*Commission File Number:***001-32508**

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CAMBER ENERGY, INC.

(Exact name of registrant as specified in its charter)

Nevada	**20-2660243**
(State of other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
15915 Katy Freeway, Suite 450, Houston, Texas	**77094**
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (210) 998-4035

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value	CEI	NYSE American

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ? No ?

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ? No ?

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ? No ?

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ? No ?

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	?	Accelerated filer	?
Non-accelerated filer	?	Smaller reporting company	?
Emerging growth	?		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ?

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ?

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ? No ?

As of June 30, 2021 (the date of the registrant's most recently completed second fiscal quarter, prior to its determination to change its fiscal year end), the aggregate market value of the shares of the registrant's common equity held by non-affiliates was approximately $22,500,000 using the June 30, 2021 closing price of the registrant's common stock of $0.45/share. Shares of the registrant's common stock held by each executive officer and director and by each person who beneficially owns 10 percent or more of the registrant's outstanding common stock have been excluded in that such persons may be deemed to be "affiliates" of the registrant for purposes of the above calculation. This determination of affiliate status is not a conclusive determination for other purposes.

There were 414,290,116 shares of the registrant's common stock outstanding as of May 16, 2022.

Documents incorporated by reference: None.

Explanatory Note

This Amendment No. 1 on Form 10-K/A amends the registrant's Annual Report on Form 10-K for the year ended December 31, 2021, as filed with the Securities and Exchange Commission by the registrant on May 20, 2022. This Amendment is filed to include the XBRL Interactive Data File exhibits required by Item 601(b)(101) of Regulation S-K, and minor clerical errors with no impact on the financial statements. No other items are being amended except as described in this Explanatory Note and this Amendment does not reflect any events occurring after the filing of the original Annual Report on Form 10-K for the year ended December 31, 2021.

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GLOSSARY OF OIL AND NATURAL GAS TERMS

The following are abbreviations and definitions of certain terms used in this Report, which are commonly used in the oil and natural industry.

AFE or ***Authorization for Expenditures***. A document that lays out proposed expenses for a particular project and authorizes an individual or group to spend a certain amount of money for that project.

ARO. Asset retirement obligation, a legal obligation associated with the retirement of an asset, which in the Company’s case is generally associated with the pugging of oil wells.

Bbl. One stock tank barrel, or 42 U.S. gallons liquid volume, used in this Annual Report in reference to crude oil or other liquid hydrocarbons.

Bcf. An abbreviation for billion cubic feet. Unit used to measure large quantities of gas, approximately equal to 1 trillion Btu.

Boe. Barrels of oil equivalent, determined using the ratio of one Bbl of crude oil, condensate or natural gas liquids, to six Mcf of natural gas.

Boepd. Barrels of oil equivalent per day.

Bopd. Barrels of oil per day.

Btu or *British thermal unit***.** The quantity of heat required to raise the temperature of one pound of water by one degree Fahrenheit.

Completion. The operations required to establish production of oil or natural gas from a wellbore, usually involving perforations, stimulation and/or installation of permanent equipment in the well or, in the case of a dry hole, the reporting of abandonment to the appropriate agency.

Condensate. Liquid hydrocarbons associated with the production of a primarily natural gas reserve.

Development well. A well drilled into a proved oil or natural gas reservoir to the depth of a stratigraphic horizon known to be productive.

Exploratory well. A well drilled to find and produce oil or natural gas reserves not classified as proved, to find a new reservoir in a field previously found to be productive of oil or natural gas in another reservoir or to extend a known reservoir.

Field. An area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition.

Gross acres or ***gross wells***. The total acres or wells in which a working interest is owned.

Horizontal drilling or ***well***. A drilling operation in which a portion of the well is drilled horizontally within a productive or potentially productive formation. This operation typically yields a horizontal well that has the ability to produce higher volumes than a vertical well drilled in the same formation. A horizontal well is designed to replace multiple vertical wells, resulting in lower capital expenditures for draining like acreage and limiting surface disruption.

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***Liquids*.** Liquids, or natural gas liquids, are marketable liquid products including ethane, propane, butane and pentane resulting from the further processing of liquefiable hydrocarbons separated from raw natural gas by a natural gas processing facility.

LOE or ***Lease operating expenses***. The costs of maintaining and operating property and equipment on a producing oil and gas lease.

MBbl. One thousand barrels of crude oil or other liquid hydrocarbons.

MMBbl/d. One thousand barrels of crude oil or other liquid hydrocarbons per day.

Mcf. One thousand cubic feet of natural gas.

***Mcfgpd*.** Thousands of cubic feet of natural gas per day.

***MMcf*.** One million cubic feet of natural gas.

MMBtu. One million British thermal units.

Net acres or ***net wells***. The sum of the fractional working interest owned in gross acres or wells.

Net revenue interest. The interest that defines the percentage of revenue that an owner of a well receives from the sale of oil, natural gas and/or natural gas liquids that are produced from the well.

NGL. Natural gas liquids.

NYMEX. New York Mercantile Exchange.

***Permeability*.** A reference to the ability of oil and/or natural gas to flow through a reservoir.

***Play*.** A set of known or postulated oil and/or natural gas accumulations sharing similar geologic, geographic and temporal properties, such as source rock, migration pathways, timing, trapping mechanism and hydrocarbon type.

Possible reserves. Additional reserves that are less certain to be recognized than probable reserves.

Probable reserves. Additional reserves that are less certain to be recognized than proved reserves but which, in sum with proved reserves, are as likely as not to be recovered.

Producing well, production well or ***productive well***. A well that is found to be capable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of the well's production exceed production-related expenses and taxes.

Properties. Natural gas and oil wells, production and related equipment and facilities and natural gas, oil or other mineral fee, leasehold and related interests.

Prospect. A specific geographic area which, based on supporting geological, geophysical or other data and also preliminary economic analysis using reasonably anticipated prices and costs, is considered to have potential for the discovery of commercial hydrocarbons.

Proved developed reserves. Proved reserves that can be expected to be recovered through existing wells and facilities and by existing operating methods.

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Proved reserves. Reserves of oil and natural gas that have been proved to a high degree of certainty by analysis of the producing history of a reservoir and/or by volumetric analysis of adequate geological and engineering data.

Proved undeveloped reserves or ***PUDs***. Proved reserves that are expected to be recovered from new wells on undrilled acreage or from existing wells where a relatively major expenditure is required for recompletion.

Reservoir. A porous and permeable underground formation containing a natural accumulation of producible oil and/or natural gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

Royalty interest. An interest in an oil and natural gas lease that gives the owner of the interest the right to receive a portion of the production from the leased acreage (or of the proceeds of the sale thereof), but generally does not require the owner to pay any portion of the costs of drilling or operating the wells on the leased acreage. Royalties may be either landowner's royalties, which are reserved by the owner of the leased acreage at the time the lease is granted, or overriding royalties, which are usually reserved by an owner of the leasehold in connection with a transfer to a subsequent owner.

Shut in. To shut in a well is to close off the well so that it stops producing.

***Trend*.** A region of oil and/or natural gas production, the geographic limits of which have not been fully defined, having geological characteristics that have been ascertained through supporting geological, geophysical or other data to contain the potential for oil and/or natural gas reserves in a particular formation or series of formations.

***Unconventional resource play*.** A set of known or postulated oil and or natural gas resources or reserves warranting further exploration which are extracted from (a) low- permeability sandstone and shale formations and (b) coalbed methane. These plays require the application of advanced technology to extract the oil and natural gas resources.

Undeveloped acreage. Lease acreage on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of oil and natural gas, regardless of whether such acreage contains proved reserves. Undeveloped acreage is usually considered to be all acreage that is not allocated or assignable to productive wells.

Unproved and unevaluated properties. Refers to properties where no drilling or other actions have been undertaken that permit such property to be classified as proved.

Vertical well. A hole drilled vertically into the earth from which oil, natural gas or water flows are pumped.

Wellbore. The hole made by a well.

WTI or ***West Texas Intermediate***. A grade of crude oil used as a benchmark in oil pricing. This grade is described as light because of its relatively low density, and sweet because of its low sulfur content.

***Working interest*.** The operating interest that gives the owner the right to drill, produce and conduct operating activities on the property and receive a share of production.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Report on Form 10-K (this "Report") contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are generally located in the material set forth under the headings "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Business", and "Properties" but may be found in other locations as well. These forward-looking statements are subject to risks and uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from the results, performance or achievements expressed or implied by the forward-looking statements. You should not unduly rely on these statements. Factors, risks, and uncertainties that could cause actual results to differ materially from those in the forward-looking statements include, among others:

- the availability of funding and the terms of such funding;
- our ability to integrate and realize the benefits from future acquisitions that we may complete and the costs of such integrations;
- our ability to timely collect amounts owed to us under unsecured notes payable;
- significant dilution caused by the conversion of Series C Preferred Stock into common stock, as well as downward pressure on our stock price as a result of the sale of such common shares;
- our growth strategies;
- anticipated trends in our business;
- our ability to repay outstanding loans and satisfy our outstanding liabilities;
- our liquidity and ability to finance our exploration, acquisition and development strategies;
- market conditions in the oil and gas and pipeline services industries;
- the timing, cost and procedure for future acquisitions;
- the impact of government regulation;
- estimates regarding future net revenues from oil and natural gas reserves and the present value thereof;
- legal proceedings and/or the outcome of and/or negative perceptions associated therewith;

- planned capital expenditures (including the amount and nature thereof);
- increases in oil and gas production;
- changes in the market price of oil and gas;
- changes in the number of drilling rigs available;
- the number of wells we anticipate drilling in the future;
- estimates, plans and projections relating to acquired properties;
- the number of potential drilling locations;
- our ability to maintain our NYSE listing;
- the voting and conversion rights of our preferred stock;
- the effects of global pandemics, such as COVID-19 on our operations, properties, the market for oil and gas and the demand for oil and gas; and
- our financial position, business strategy and other plans and objectives for future operations.

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We identify forward-looking statements by use of terms such as "may," "will," "expect," "anticipate," "estimate," "hope," "plan," "believe," "predict," "envision," "intend," "continue," "potential," "should," "confident," "could" and similar words and expressions, although some forward-looking statements may be expressed differently. You should be aware that our actual results could differ materially from those contained in the forward-looking statements. You should consider carefully the statements under the "Risk Factors" section of this Report and other sections of this Report which describe factors that could cause our actual results to differ from those set forth in the forward-looking statements, including those described above.

Forward-looking statements speak only as of the date of this Report or the date of any document incorporated by reference in this Report. Except to the extent required by applicable law or regulation, we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date of this Report or to reflect the occurrence of unanticipated events.

Where You Can Find Other Information

We file annual, quarterly, and current reports, proxy statements and other information with the Securities and Exchange Commission ("SEC"). Our SEC filings are available to the public over the Internet at the SEC's website at www.sec.gov and are available for download, free of charge, soon after such reports are filed with or furnished to the SEC, on the "Investors," "SEC Filings" page of our website at www.camber.energy. Information on our website is not part of this Report, and we do not desire to incorporate by reference such information herein. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC like us. Copies of documents filed by us with the SEC are also available from us without charge, upon oral or written request to our Secretary, who can be contacted at the address and telephone number set forth on the cover page of this Report. In addition, you can access our proxy statements, our Code of Business Conduct and Ethics, Nominating and Corporate Governance Committee Charter, Audit Committee Charter, and Compensation Committee Charter on our website http://www.camber.energy, at "Investors" – "SEC Filings" – "All SEC Filings" and "Governance" - "Policies".

General Information

The following discussion and analysis provide information which management believes is relevant for an assessment and understanding of the results of operations and financial condition of the Company. Expectations of future financial condition and results of operations are based upon current business plans and may change. The discussion should be read in conjunction with the audited financial statements and notes thereto.

In this Report, we may rely on and refer to information regarding our industry which comes from market research reports, analyst reports and other publicly available information. Although we believe that this information is reliable, we cannot guarantee the accuracy and completeness of this information, and we have not independently verified any of it.

Unless the context requires otherwise, references to the "Company," "we," "us," "our," "Camber," "Camber Energy" and "Camber Energy, Inc." refer specifically to Camber Energy, Inc., and our consolidated subsidiaries: CE Operating, LLC, an Oklahoma limited liability company which is wholly-owned, and C E Energy LLC, a Texas limited liability company which is wholly-owned ("CE").

Certain abbreviations and oil and gas industry terms used throughout this Annual Report are described and defined in greater detail above under "Glossary of Oil and Natural Gas Terms" on page 1 of this Report, and readers are encouraged to review that section.

In addition, unless the context otherwise requires and for the purposes of this Report only:

- "Exchange Act" refers to the Securities Exchange Act of 1934, as amended;
- "SEC" or the "Commission" refers to the United States Securities and Exchange Commission; and
- "Securities Act" refers to the Securities Act of 1933, as amended.

PART I

ITEM 1. BUSINESS.

Our website address is http://www.camber.energy. The information on, or that may be accessed through, our website is not incorporated by reference into this Report and should not be considered a part of this Report.

Change in Fiscal Year End

On February 4, 2021, the Board of Directors of the Company approved changing the Company's fiscal year from a fiscal year ending on March 31 of each year to a fiscal year ending on December 31 of each year. As a result of this change, all 2020 data is for the nine-month transition period from April 1, 2020, to December 31, 2020. The Company's fiscal year 2021 commenced on January 1, 2021.

Late Filings and Restatements

On October 31, 2020, the Company received a comment letter from the SEC ("SEC Comment Letter") with respect to Amendment No. 2 to the Registration Statement on Form S-4 filed on October 14, 2020. Among other things, the SEC Comment Letter questioned the Company's historical accounting treatment regarding the sale of our Series C Redeemable Convertible Preferred Stock (the "Series C Stock"). The Company recorded such sales as "permanent equity" and the SEC Comment Letter suggested the appropriate accounting classification was something other than permanent equity given certain provisions within the Certificate of Designation for the Series C Stock ("COD").

The Company had discussions with its accounting advisors and the SEC staff regarding the accounting treatment for the Series C Shares. The Series C Shares have been outstanding since 2016 and the accounting treatment is applicable to all of the Company's previously filed and yet to be filed financial statements. On September 16, 2021 the Company filed an 8-K, Item 4.02 non-reliance on previously filed financial statements and deferred filing Annual Reports on Form 10-K and quarterly reports on Form 10-Q until the appropriate accounting treatment had been determined.

In November 2021, the Company believed it had determined the appropriate accounting treatment and filed an amended Annual Report on Form 10-K/A for the year ended March 31, 2020, inclusive of restated comparative financial statements for the year ended March 31, 2019, an amended Quarterly report on Form 10-Q/A for the three months ended June 30, 2020, and an amended quarterly report on Form 10-Q/A for the three- and six-month periods ended September 30, 2020.

Subsequent to filing the amended filings, the Company was advised by the SEC that the staff continued to question the accounting treatment for the Series C Shares. Consequently, the Company continued to defer filing Annual Reports on Form 10-K and quarterly reports on Form 10-Q until the matter had been resolved. On March 28, 2022 the Company filed Form 8-K, Item 4.02 non-reliance on previously filed financial statements

After numerous consultations with the SEC staff and the Company's accounting advisors, in May 2022, the Company has now concluded on the proper accounting treatment and is bringing all financial statement filings current.

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General

Camber, a Nevada corporation, is based in Houston, Texas. We are currently primarily engaged in the acquisition, development and sale of crude oil, natural gas and natural gas liquids from various known productive geological formations in Kansas, Louisiana and Texas, and hold interests in non-producing wells in Mississippi. Incorporated in Nevada in December 2003 under the name Panorama Investments Corp., the Company changed its name to Lucas Energy, Inc., effective June 9, 2006, and effective January 4, 2017, the Company changed its name to Camber Energy, Inc. With the acquisition of a majority interest in Viking Energy Group, Inc. described herein, the Company's business plan is to acquire a majority interest in assets or entities in the energy sector, including engaging in the acquisition, exploration, development and production of oil and natural gas properties, both individually and through collaborative partnerships with other companies in this field of endeavor.

Viking Investment

On December 23, 2020, Camber entered into a Securities Purchase Agreement (the "Purchase Agreement") with Viking Energy Group, Inc. ("Viking") to acquire (the "Viking Acquisition" or the "Acquisition") 26,274,510 shares of Viking's common stock, constituting 51% of the issued common stock of Viking (the "Initial Viking Shares"), in consideration of (i) the payment of $10,900,000 in cash by Camber to Viking, which was retained by Viking (the "Cash Purchase Price"), and (ii) Camber canceling $9,200,000 in promissory notes previously issued to Camber by Viking (the February 3, 2020 promissory note for $5,000,000 and the June 25, 2020 promissory note for $4,200,000, collectively the "Viking Notes") along with accrued interest. Pursuant to the Purchase Agreement, Viking is generally obligated (subject to certain limitations) to issue additional shares of Viking common stock to Camber to ensure that Camber shall own at least 51% of the common stock of Viking through July 1, 2022.

In connection with the investment, on December 23, 2020, the Company also entered into (i) a termination agreement with Viking terminating the prior Amended and Restated Agreement and Plan of Merger, dated August 31, 2020, as amended (the "Termination Agreement"), and (ii) an Assignment of Camber's 30% Membership Interest in one of Viking's subsidiaries, Elysium Energy Holdings, LLC, back to Viking (the "Assignment"). Also in connection with the Acquisition, on December 23, 2020, the Company (i) borrowed $12,000,000 from the institutional investor described in the "Preferred Stock Financing Transactions" section below (the "Investor"); (ii) issued the Investor a promissory note in the principal amount of $12,000,000 (the "December 23rd Investor Note"), accruing interest at the rate of 10% per annum and maturing December 11, 2022; (iii) granted the Investor a first-priority security interest in the Initial Viking Shares and the Company's other assets pursuant to a Security Agreement-Pledge (the "December 23rd Pledge Agreement"), and a general security agreement (the "December 23rd Security Agreement"), respectively; and (iv) entered into an amendment to the Company's $6,000,000 promissory note previously issued to the Investor dated December 11, 2020, amending the acceleration provision of the note to provide that the note repayment obligations would not accelerate if Camber had increased its authorized capital stock by March 11, 2021 (the "Note Amendment"). On February 23, 2021, the Company's stockholders approved an amendment to the Company's Articles of Incorporation to increase the number of our authorized shares of common stock from 25,000,000 to 250,000,000, which amendment was filed with the State of Nevada on February 23, 2021.

On December 23, 2020, the December 23rd Investor Note was funded, and the Company closed the investment, paying the Cash and assigning the membership interests to Viking and cancelling the Viking Notes and related accrued interest. At the closing, James Doris and Frank Barker, Jr., Viking's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), respectively, were appointed the CEO and CFO, respectively, of the Company, and Mr. Doris was appointed a member of the Board of Directors of the Company.

On January 8, 2021, the Company entered into another purchase agreement with Viking pursuant to which the Company increased its investment by acquiring an additional 16,153,846 shares of Viking common stock (the "Additional Viking Shares") in consideration of (i) the Company issuing 1,890 shares of Camber's Series C Redeemable Convertible Preferred Stock to EMC Capital Partners, LLC ("EMC"), one of the Viking's lenders which held a secured promissory note with an original principal amount of $20,869,218 in connection with the purchase of oil and gas assets on or about February 3, 2020 (the "EMC Note"); and (ii) EMC considering the EMC Note, and related accrued interest, paid in full and cancelled pursuant to the Cancellation Agreement described below.

Simultaneously, on January 8, 2021, Viking entered into a Cancellation Agreement with EMC (the "Cancellation Agreement") pursuant to which Viking agreed to pay $325,000 to EMC, and EMC agreed to cancel and terminate in the EMC Note and all other liabilities, claims, amounts owing and other obligations under the Note.

On July 29, 2021, the Company entered into a Securities Purchase Agreement with Viking to acquire an additional 27,500,000 shares of Viking common stock for an aggregate purchase price of $11,000,000.

As a result of these three investments, the Company owned approximately 61% of the outstanding common shares of Viking as of December 31, 2021.

The Company has determined that its ownership of the common shares of Viking gives the Company the ability to exercise significant influence over Viking, but not control from an accounting perspective pursuant to applicable accounting rules and/or guidelines, and therefore the Company has not consolidated the financial statements of Viking into the Company's financial statements. Rather, the Company accounts for its investment in Viking under the equity method.

Merger Agreement with Viking Energy Group, Inc.

On February 15, 2021, Camber entered into an Agreement and Plan of Merger (the "Merger Agreement") with Viking. The Merger Agreement provides that, upon the terms and subject to the conditions set forth therein, a newly formed wholly-owned subsidiary of Camber ("Merger Sub") will then merge with and into Viking (the "Merger"), with Viking surviving the Merger as a wholly-owned subsidiary of Camber (the "Combined Company").

Upon the terms and subject to the conditions set forth in the Merger Agreement, at the effective time of the Merger (the "Effective Time"), each share: (i) of common stock, par value $0.001 per share, of Viking (the "Viking Common Stock") issued and outstanding immediately prior to the Effective Time, other than shares owned by Camber, Viking and Merger Sub, will be converted into the right to receive one share of common stock of Camber; and (ii) of Series C Convertible Preferred Stock of Viking (the "Viking Preferred Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of Series A Convertible Preferred Stock of Camber (the "Camber Series A Preferred Stock"). Each share of Camber Series A Preferred Stock will be convertible into 890 shares of common stock of Camber (subject to a beneficial ownership limitation preventing conversion into Camber common stock if the holder would be deemed to beneficially own more than 9.99% of Camber's common stock), will be treated equally with Camber's common stock with respect to dividends and liquidation, and will only have voting rights with respect to voting: (a) on a proposal to increase or reduce Camber's share capital; (b) on a resolution to approve the terms of a buy-back agreement; (c) on a proposal to wind up Camber; (d) on a proposal for the disposal of all or substantially all of Camber's property, business and undertaking; (f) during the winding-up of Camber; and/or (g) with respect to a proposed merger or consolidation in which Camber is a party or a subsidiary of Camber is a party. Holders of Viking Common Stock and Viking Preferred Stock will have any fractional shares of Camber common stock or preferred stock after the Merger rounded up to the nearest whole share.

At the Effective Time, each outstanding Viking equity award, will be converted into the right to receive the merger consideration in respect of each share of Viking Common Stock underlying such equity award and, in the case of Viking stock options, be converted into vested Camber stock options based on the merger exchange ratio calculated as provided above (the "Exchange Ratio").

The Merger Agreement provides, among other things, that effective as of the Effective Time, James A. Doris, the current Chief Executive Officer of both Viking and Camber, shall serve as President and Chief Executive Officer of the Combined Company following the Effective Time. The Merger Agreement provides that, as of the Effective Time, the Combined Company will have its headquarters in Houston, Texas.

The Merger Agreement also provides that, during the period from the date of the Merger Agreement until the Effective Time, each of Camber and Viking will be subject to certain restrictions on its ability to solicit alternative acquisition proposals from third parties, to provide non-public information to third parties and to engage in discussions with third parties regarding alternative acquisition proposals, subject to customary exceptions. Viking is required to hold a meeting of its stockholders to vote upon the adoption of the Merger Agreement and, subject to certain exceptions, to recommend that its stockholders vote to adopt the Merger Agreement. Camber is required to hold a meeting of its stockholders to approve the issuance of Viking Common Stock and Viking Preferred Stock in connection with the Merger (the "Merger Share Issuance").

The completion of the Merger is subject to customary conditions, including (i) adoption of the Merger Agreement by Camber's stockholders and approval of the Merger Share Issuances by Camber's stockholders, (ii) receipt of required regulatory approvals, (iii) effectiveness of a registration statement on Form S-4 for the Camber common stock to be issued in the Merger (the "Form S-4"), and (iv) the absence of any law, order, injunction, decree or other legal restraint preventing the completion of the Merger or making the completion of the Merger illegal. Each party's obligation to complete the Merger is also subject to certain additional customary conditions, including (i) subject to certain exceptions, the accuracy of the representations and warranties of the other party, (ii) subject to certain exceptions, performance by the other party of its obligations under the Merger Agreement and (iii) the absence of any material adverse effect on the other party, as defined in the Merger Agreement.

Additional closing conditions to the Merger include that in the event the NYSE American determines that the Merger constitutes, or will constitute, a "back-door listing" or "reverse merger," Camber (and its common stock) would be required to qualify for initial listing on the NYSE American, pursuant to the applicable guidance and requirements of the NYSE as of the Effective Time.

The Merger Agreement can be terminated (i) at any time with the mutual consent of the parties; (ii) by either Camber or Viking if any governmental consent or approval required for closing is not obtained, or any governmental entity issues a final non-appealable order or similar decree preventing the Merger; (iii) by either Viking or Camber if the Merger shall not have been consummated on or before August 1, 2021; (iv) by Camber or Viking, upon the breach by the other of a term of the Merger, which is not cured within 30 days of the date of written notice thereof by the other; (v) by Camber if Viking is unable to obtain the affirmative vote of its stockholders for approval of the Merger; (vi) by Viking if Camber is unable to obtain the affirmative vote of its stockholders required pursuant to the terms of the Merger Agreement; and (vii) by Viking or Camber if there is a willful breach of the Merger Agreement by the other party thereto.

The Merger Agreement has no impact on the Camber Series C Preferred Stock.

The Merger Agreement contains customary indemnification obligations of the parties and representations and warranties.

The representations, warranties and covenants of each party set forth in the Merger Agreement have been made only for the purposes of, and were and are solely for the benefit of the parties to, the Merger Agreement, may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Merger Agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Accordingly, the representations and warranties may not describe the actual state of affairs at the date they were made or at any other time, and investors should not rely on them as statements of fact. In addition, such representations and warranties (i) will not survive consummation of the Merger and (ii) were made only as of the date of the Merger Agreement or such other date as is specified in the Merger Agreement. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in the parties' public disclosures. Accordingly, the Merger Agreement is included with this filing only to provide investors with information regarding the terms of the Merger Agreement, and not to provide investors with any factual information regarding Camber or Viking, their respective affiliates or their respective businesses. The Merger Agreement should not be read alone, but should instead be read in conjunction with the other information regarding Camber, Viking, their respective affiliates or their respective businesses, the Merger Agreement and the Merger that will be contained in, or incorporated by reference into, a Form S-4 that will include a joint proxy statement of Camber and Viking and a prospectus of Viking, as well as in the Forms 10-K, Forms 10-Q and other filings that each of Camber and Viking make with the SEC.

The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Merger Agreement, which is filed as Exhibit 2.1.

The Merger has not been completed. As of the date of filing this report, neither Viking or Camber has advised of its intention to terminate the Merger Agreement.

Lineal Acquisition and Divestiture

On December 31, 2019, the Company entered into a Preferred Stock Redemption Agreement (the "Redemption Agreement") by and between the Company and the prior owners of Lineal, whereby the Company redeemed the Company's Series E and F Preferred Stock (the holders of such preferred stock, collectively, the "Preferred Holders") issued in connection with the Lineal Merger (as defined in Note 2). Pursuant to the Redemption Agreement, effective as of December 31, 2019, ownership of 100% of Lineal was transferred back to the Preferred Holders, and, all of the Series E Preferred Stock and Series F Preferred Stock of the Company outstanding were canceled through the redemption (the "Lineal Divestiture"). The Redemption Agreement also provided for (a) the entry by Lineal and the Company into a new unsecured promissory note in the amount of $1,539,719, the outstanding amount of the July 2019 Lineal Note together with additional amounts loaned by Camber to Lineal through December 31, 2019 (the "December 2019 Lineal Note"); and, (b) the unsecured loan by the Company to Lineal on December 31, 2019 of an additional $800,000, entered into by Lineal in favor of the Company on December 31, 2019 ("Lineal Note No. 2"); The December 2019 Lineal Note and Lineal Note No. 2, accrued interest, payable quarterly in arrears, beginning on March 31, 2020 and continuing until December 31, 2021, when all interest and principal was due, at 8% and 10% per annum (18% upon the occurrence of an event of default), respectively. Pursuant to the Redemption Agreement, the parties thereto mutually agreed to unwind the Lineal Merger and allow for the redemption in full of Lineal by the Preferred Holders. In connection therewith, the Company redeemed the Company's Series E and F Preferred Stock issued in connection with the Lineal Merger and ownership of 100% of Lineal was transferred back to the Preferred Holders, and all of the Series E Preferred Stock and Series F Preferred Stock of the Company outstanding were cancelled through the redemption.

N&B Production Payment

The Company sold a significant portion of its oil and gas production assets in Oklahoma to N&B Energy, LLC ("N&B Energy") effective August 1, 2018. As part of the sale of its assets to N&B Energy, the Company also retained a 12.5% production payment (effective until a total of $2.5 million has been received) and a 3% overriding royalty interest, in its then existing Okfuskee County, Oklahoma assets; and an overriding royalty interest on certain other undeveloped leasehold interests, pursuant to an Assignment of Production Payment and Assignments of Overriding Royalty Interests. No payments were received in regard to any of the retained items noted above through December 31, 2020, and the filing date hereof.

Camber retained its assets in Glasscock County and operated wells in Hutchinson County, Texas, following the N&B Energy transaction until completion of the Settlement Agreement discussed below.

On January 31, 2020, the Company entered into a Compromise Settlement Agreement (the "Settlement Agreement") with PetroGlobe Energy Holdings, LLC ("PetroGlobe"), Signal Drilling, LLC ("Signal"), Petrolia Oil, LLC ("Petrolia"), Prairie Gas Company of Oklahoma, LLC ("PGCO"), and Canadian River Trading Company, LLC ("CRTC"). Pursuant to the Settlement Agreement, the Company agreed to pay PetroGlobe $250,000, of which $100,000 was due upon execution of the Settlement Agreement, which payment has been made, and $150,000 was paid to an escrow account, which was released by the Company upon the successful transfer of all wells and partnership interests of the Company's prior wholly-owned subsidiary C E Energy LLC ("CE") to PetroGlobe, which was completed on July 16, 2020.

Apache Corporation Settlement

In December 2018, Apache Corporation ("Apache") sued Camber, Sezar Energy, L.P., and Texokcan Energy Management Inc., in the 129th Judicial District Court of Harris County, Texas (Cause 2018-89515). Apache alleged causes of action for Breach of Contract, Money Had & Received and Conversion, relating to amounts Apache alleged it was owed under a joint operating agreement. On July 13, 2020, Apache filed a Second Amended Petition against Camber, Sezar, Texokcan, N&B Energy, LLC, and Richard N. Azar, II alleging Breach of Contract, Defaults under a Joint Operating Agreement, Money Had & Received and Conversion, relating to amounts Apache allegedly overpaid Sezar and Azar and Unjust Enrichment. On October 26, 2020, the Company entered into an agreement with Apache to obtain a release of all liability (both parties provided mutual releases) for $20,000 which the Company paid in October 2020, which is included in general and administrative expenses on the statement of operations for the nine months ended

December 31, 2020. The litigation was dismissed against the Company.

Preferred Stock Financing Transactions

On and effective June 22, 2020, the Company and an institutional investor, Discover Growth Fund, LLC ("Discover") entered into a Stock Purchase Agreement (the "June 2020 Purchase Agreement"), pursuant to which Discover purchased 630 shares of the Company's Series C Redeemable Convertible Preferred Stock (the "Series C Preferred Stock") for $6 million, at a 5% original issue discount to the $10,000 face value of such preferred stock (the "Face Value"). Pursuant to the June 2020 Purchase Agreement, as long as Discover holds any shares of Series C Preferred Stock, the Company agreed that, except as contemplated in connection with the Merger, the Company would not issue or enter into or amend an agreement pursuant to which the Company may issue any shares of common stock, other than (a) for restricted securities with no registration rights, (b) in connection with a strategic acquisition, (c) in an underwritten public offering, or (d) at a fixed price. The Company also agreed that it would not issue or amend any debt or equity securities convertible into, exchangeable or exercisable for, or including the right to receive, shares of common stock (i) at a conversion price, exercise price or exchange rate or other price that is based upon or varies with, the trading prices of or quotations for the shares of common stock at any time after the initial issuance of the security or (ii) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of the security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the common stock.

The Company also agreed to provide Discover a right of first offer to match any offer for financing the Company receives from any person while the shares of Series C Preferred Stock sold pursuant to the June 2020 Purchase Agreement are outstanding, except for debt financings not convertible into common stock, which are excluded from such right to match.

The Company agreed that if it issues any security with any term more favorable to the holder of such security or with a term in favor of the holder of such security that was not similarly provided to Discover, then the Company would notify Discover of such additional or more favorable term and such term, at Discover's option, may become a part of the transaction documents with Discover.

Finally, the Company agreed to include proposals relating to the approval of the June 2020 Purchase Agreement and the issuance of the shares of common stock upon conversion of the Series C Preferred Stock sold pursuant to the June 2020 Purchase Agreement, as well as an increase in authorized common stock to fulfill the Company's obligations to issue such shares, at the meeting held to approve the merger pursuant to the original planned merger agreement entered into with Viking in February 2020 ("First Merger Agreement") or a separate meeting in the event the Merger is terminated prior to shareholder approval, and to use commercially reasonable best efforts to obtain such approvals as soon as possible and in any event prior to December 31, 2020.

The Company loaned $4.2 million of the funds provided by the June 2020 Purchase Agreement to Viking in connection with the purchase of the June 2020 Secured Note.

Also on June 22, 2020, the Company and Discover entered into an Amendment to Stock Purchase Agreement (the "SPA Amendment"), pursuant to which the Investor agreed to terminate the obligation set forth in the Stock Purchase Agreement previously entered into between the Company and the Investor on February 3, 2020, which contained a Repurchase Requirement substantially similar to the one contained in the June 2020 Purchase Agreement, as to the 525 shares of Series C Preferred Stock sold to Discover on February 3, 2020, which would have required that the Company pay Discover an aggregate of $5,775,000 in connection with the redemption of the 525 shares of Series C Preferred Stock the Company sold to Discover in the event the First Merger Agreement was terminated.

Effective as of July 9, 2021, the Company and another institutional investor, Antilles Family Office, LLC, an affiliate of Discover ("Antilles"), entered into a Stock Purchase Agreement (the "July 2021 Purchase Agreement").

Under the terms of the July 2021 Purchase Agreement, Antilles purchased 1,575 shares of Series C Preferred Stock for $15 million, at a 5% original issue discount to the $10,000 face value of each share of preferred stock.

Pursuant to the July 2021 Purchase Agreement, as long as Antilles holds any shares of Series C Preferred Stock, we agreed that, except as contemplated in connection with the Merger, we would not issue or enter into or amend an agreement pursuant to which we may issue any shares of common stock, other than (a) for restricted securities with no registration rights, (b) in connection with a strategic acquisition, (c) in an underwritten public offering, or (d) at a fixed price. We also agreed that we would not issue or amend any debt or equity securities convertible into, exchangeable or exercisable for, or including the right to receive, shares of common stock (i) at a conversion price, exercise price or exchange rate or other price that is based upon or varies with, the trading prices of or quotations for the shares of common stock at any time after the initial issuance of the security or (ii) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of the security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the common stock.

We also agreed that if we issue any security with any term more favorable to the holder of such security or with a term in favor of the holder of such security that was not similarly provided to Antilles, then we would notify Antilles of such additional or more favorable term and such term, at the Investor's option, may become a part of the transaction documents with the Investor. We agreed to include proposals relating to the approval of the July 2021 Purchase Agreement and the issuance of the shares of common stock upon conversion of the Series C Preferred Stock sold pursuant to the July 2021 Purchase Agreement, as well as an increase in authorized common stock to fulfill our obligations to issue such shares, at the Company's next Annual Meeting, the meeting held to approve the Merger or a separate meeting in the event the Merger is terminated prior to shareholder approval, and to use commercially reasonable best efforts to obtain such approvals as soon as possible and in any event prior to January 1, 2022.

Exchange Agreement, Promissory Notes and Security Agreements with the Investor

On December 11, 2020, the Company entered into an Exchange Agreement (the "Exchange Agreement") with Discover, the sole shareholder of the Company's Series C Preferred Stock at that time. The transactions contemplated by the Exchange Agreement closed on December 11, 2020. Pursuant to the Exchange Agreement, as an accommodation to the Company, and in order to reduce the potential dilutive impact of the Series C Preferred Stock, by reducing the number of outstanding shares of Series C Preferred Stock, Discover exchanged 600 shares of Series C Preferred Stock (the "Exchanged Shares"), with an aggregate face value of $6,000,000 (600 shares each with a face value of $10,000 per share), for a $6,000,000 secured Promissory Note (the "December 11th Investor Note"), and the 600 Preferred Shares were cancelled.

Pursuant to the Exchange Agreement (a) Discover waived all prior breaches and defaults that occurred prior to the date of the Exchange Agreement or that may continue or occur for 90 days thereafter, under any agreements entered into with Discover relating to the acquisition of shares of Series C Preferred Stock (the "90 Day Period"), and waived all rights and remedies with respect to any such breaches and defaults; (b) we agreed to timely file all reports required by the SEC for so long as Discover holds any Series C Preferred Stock (provided the Company was provided until December 31, 2020, to file its Quarterly Report on Form 10-Q for the quarter ended September 30, 2020); (c) we agreed to indemnify and hold Discover, its affiliates, managers and advisors, and their related parties, harmless from any losses related to any breach of the Exchange Agreement (or other transaction documents), and from any action by the Company or a creditor or stockholder of the Company, challenging the transactions contemplated by the Exchange Agreement and related agreements, except to the extent finally adjudicated to be caused solely by such indemnified party's unexcused material breach of an express provision of the Exchange Agreement or related agreements; (d) we agreed to reserve from our outstanding common stock, shares of common stock to allow for the conversion of the outstanding Series C Preferred Stock (subject to the 90 Day Period); (e) Discover agreed to vote all shares of common stock which it holds as of the record date for any shareholder meeting in favor of the Company's previously announced pending plan of merger with Viking (the "Merger"), and the other proposals that are recommended for approval by the Board of Directors of the Company in the proxy statement filed in connection with such Merger; (f) Discover agreed to the Merger and agreed to waive any rights it may have (including favored nations, anti-dilution and/or reset rights) in connection therewith; (g) we acknowledged that Discover had previously provided notice to the Company of its intent to increase the beneficial ownership limitation set forth in the designation of the Series C Preferred Stock to 9.99%, and that such limitation will continue to apply moving forward; and (h) we provided Discover and its related parties a general release.

The Exchange Agreement also amended the June 22, 2020 Stock Purchase Agreement previously entered into with Discover, pursuant to which Discover purchased 630 shares of Series C Preferred Stock, to remove from such June 22, 2020 agreement (i) the prohibition on Discover transferring and/or selling shares of Series C Preferred Stock; and (ii) the repurchase obligation, which required the Company to redeem for cash, at 110% of the face value thereof ($10,000 per share), all 630 shares of Series C Preferred Stock sold by the Company in June 2020, in the event the Merger did not close by the required date set forth in the plan of merger relating thereto (as amended from time to time), and all similar provisions in any prior agreements entered into between the Company and Discover.

The December 11th Investor Note (which had no conversion features upon issuance, but is now convertible as described below) had a balance of $6,000,000 and accrues interest at the rate of 10% per annum, which increases to the highest non-usurious rate of interest allowed under applicable law upon the occurrence of an event of default, which interest is due on the maturity date, which maturity date was the earlier of (a) December 11, 2022 (which may be extended with the mutual consent of the parties and a written amendment to the December 11th Investor Note signed by Discover); (b) March 11, 2021, in the event the Merger does not close or is not fully consummated by such date; and (c) the date a change of control of the Company occurs, which includes any person becoming the beneficial owner of more than 50% of the combined voting power of the Company (a "Change in Ownership"), or the approval of (1) a plan of complete liquidation, (2) an agreement for the sale or disposition of all or substantially all the Company's assets, or (3) a merger (other than a merger for purposes of redomiciling the Company), consolidation, or reorganization of the Company, which would result in a Change in Ownership, provided that the closing of the Merger will not trigger a change of control (or Change in Ownership). The December 11th Investor Note includes customary events of default. Upon the occurrence of an event of default, Discover has the right to accelerate the full amount of the December 11th Investor Note and all interest thereon, to enforce its rights under the December 11th Security Agreement (defined below), and take other actions allowed under applicable law. On or about December 23, 2020, the Company and Discover executed a First Amendment to 10% Secured Promissory Note (the "Note Amendment") to modify item (b) above as it relates to the potential acceleration of the maturity date of the December 11th Investor Note. Specifically, the Note Amendment provided that the December 11th Investor Note shall automatically accelerate, and all amounts of unpaid principal and interest shall become due immediately in the event that the Merger does not close or is not fully consummated by March 11, 2021; however, such provision shall not apply if on or before such date the Company has increased its authorized capital to at least 250,000,000 common shares (which did occur on February 25, 2021).

Payment of the December 11th Investor Note and performance of the Company's obligations thereunder is required to be guaranteed by all subsidiaries or entities controlled or owned by the Company, or which may be owned after the date of the December 11th Investor Note, provided that no guarantees have been entered into to date. The December 11th Investor Note may be assigned by Discover subject to compliance with applicable securities laws. The Company may prepay the December 11th Investor Note at any time.

The payment of amounts due under the December 11th Investor Note is secured by the terms of a Security Agreement entered into by the Company in favor of Discover, which provides Discover a first priority security interest in substantially all of our assets (the "December 11th Security Agreement"). If an event of default occurs under the December 11th Investor Note, Discover can enforce its rights under the December 11th Security Agreement and foreclose on our assets in order to satisfy amounts owed thereunder.

As described above, in connection with the Viking Investment, on December 23, 2020, the Company (i) borrowed an additional $12,000,000 from Discover; (ii) issued Discover a promissory note in the principal amount of $12,000,000 ("the December 23rd Investor Note"), accruing interest at the rate of 10% per annum and maturing December 11, 2022; (iii) granted Discover a first-priority security interest in the Initial Viking Shares and the Company's other assets (the " December 23rd Pledge Agreement"), and a general security agreement (the December 23rd Security Agreement), respectively; and (iv) entered into an amendment to the December 11th Investor Note, amending the acceleration provision of the note to provide that the note repayment obligations would not accelerate if Camber had increased its authorized capital stock by March 11, 2021, which requirement was satisfied.

On April 23, 2021, the Company (i) borrowed an additional $2,500,000 from Discover; (ii) issued Discover a promissory note in the principal amount of $2,500,000 (the "April 23rd Investor Note"), accruing interest at the rate of 10% per annum and maturing December 11, 2022; (iii) to secure payment of the April 23rd Investor Note, the December 23rd Investor Note, and the December 11th Investor Note (such notes together the "Investor Notes"), granted Discover a first-priority security interest in Camber's shares of Viking and Camber's other assets pursuant to a Security Agreement-Pledge (the "April 23rd Pledge Agreement") and a general security agreement (the "April 23rd Security Agreement"). Discover originally had the right to convert amounts owing under the April 23rd Investor Note into shares of common stock of Camber at a fixed price of $1.00 per share (later amended to $1.25 per share as described below), subject to 9.99% beneficial ownership limitations.

The December 11th Investor Note, the December 23rd Investor Note and the April 23rd Investor Note are referred to herein collectively as, the "Discover Notes")

Effective July 9, 2021, Camber and Discover executed amendments to each of Discover Notes, pursuant to which (i) the Maturity Date of each of Discover Notes was extended from December 11, 2022, to January 1, 2024; and (ii) Discover is permitted to convert amounts owing under each of Discover Notes into shares of common stock of Camber at a fixed price of $1.25 per share, subject to 9.99% beneficial ownership limitations.

On or about December 9, 2021, the Company received $1,000,000 from Discover and in connection therewith executed and delivered the following in favor of Discover: (i) a promissory note dated on or about December 8, 2021 in the principal amount of $1,052,631.58, representing a 5% original issue discount, accruing interest at the rate of 10% per annum and maturing March 8, 2022; (ii) a Security Agreement-Pledge granting Discover a first-priority security interest in Camber's common shares of Viking; and (iii) a general security agreement granting Discover a first-priority security interest in Camber's other assets. Discover may convert amounts owing under the promissory note into shares of common stock of Camber at a fixed price of $1.25 per share, subject to beneficial ownership limitations. This promissory note was paid in full by the Company on January 4, 2022.

Effective December 24 2021, the Company executed amendments to the Discover Notes, pursuant to which: (i) the Maturity Date of each Promissory Note was extended from January 1, 2024 to January 1, 2027; (ii) the conversion price was increased from $1.25 to $1.50 per share of common stock; and (iii) the interest rate was decreased from 10% per annum to the WSJ Prime Rate.

Other Agreements:

On or about December 24, 2021, the Company entered into two agreements (collectively, the "December 24th Agreements") as follows: one agreement (the "First Agreement") was entered into with an investor (the "First Investor") that holds shares of Series C Preferred Stock of the Company (the "Preferred Shares"), and the second agreement (the "Second Agreement") was entered into with another investor (the "Second Investor", together with the First Investor, the "Investors") that holds Preferred Shares along with four promissory notes, with an aggregate principal amount totaling $21,552,631.58, previously executed by the Company in favor of the Second Investor (collectively, the "Notes"). The December 24th Agreements are identical as to their terms.

The original securities purchase agreements between the Company and the Investors regarding the purchase and sale of the Preferred Shares (the "SPAs") require the Company to, among other things, timely file all reports required to be filed by Company pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and to maintain sufficient reserves from its duly authorized Common Stock for issuance of all Conversion Shares (as such term is defined in the Certificate of Designation regarding the Preferred Shares (the "COD"), or the shares of Company common stock to be issued upon conversion of the Preferred Shares). On October 6, 2021, the Company received notice from the Investors that they believed the Company breached the SPAs by failing to comply with those two requirements in the SPAs, and the Notes also contain a provision stating a breach by the Company of any terms within the SPA or COD is also a breach under the Notes, which would result in an immediate acceleration of the Notes at the holder's option.

On October 9, 2021 the Company entered into amending agreements (the "October Agreements") with each of the First Investor and Second Investor (as disclosed by the Company in its Current Report Filed on Form 8-K filed with the Securities and Exchange Commission on October 13, 2021), pursuant to which the Investors agreed to refrain from declaring defaults or bringing a breach of contract action under the SPAs, and the Second Investor agreed to refrain from declaring defaults or bringing a breach of contract action under the Notes, provided the Company: (i) within 30 days of the date of the October Agreements, amended the COD to provide that holders of the Preferred Shares will vote together with holders of common stock on all matters other than election of directors and shareholder proposals (including proposals initiated by any holders of Preferred Shares), on an as-if converted basis, subject to the beneficial ownership limitation in the COD, even if there are insufficient shares of authorized common stock to fully convert the Preferred Shares (the "COD Amendment Requirement")? (ii) files by November 19, 2021 all reports required to be filed by the Company pursuant to the Exchange Act (the "Filing Requirement")? and (iii) implements and maintains, as soon as possible but no later than December 31, 2021, a sufficient reserve from its duly authorized Common Stock for issuance of all Conversion Shares (the " Reserve Requirement"). The Company complied with the COD Amendment Requirement on November 8, 2021.

On November 18, 2021 the Company entered into amending agreements (the "November Agreements") with each of the First Investor and Second Investor (as disclosed by the Company in its Current Report Filed on Form 8-K filed with the Securities and Exchange Commission on November 19, 2021). Pursuant to the November Agreements, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the Investors agreed to extend the deadline for the Filing Requirement to December 6, 2021. The deadline for the Reserve Requirement remained December 31, 2021.

On December 3, 2021 the Company entered into amending agreements (the "December Agreements") with each of the First Investor and Second Investor (as disclosed by the Company in its Current Report Filed on Form 8-K filed with the Securities and Exchange Commission on December 6, 2021). Pursuant to the December Agreements, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the Investors agreed to extend the deadline for the Filing Requirement to December 17, 2021. The deadline for the Reserve Requirement remained December 31, 2021.

Pursuant to the December 24th Agreements, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the parties agreed:

(i) the deadline for the Filing Requirement is extended to January 14, 2022;

(ii) the deadline for the Reserve Requirement remains December 31, 2021, meaning the Company is required to obtain on or before such date, approval of the proposals outlined in the preliminary proxy statement filed by the Company with the Securities and Exchange Commission on November 9, 2021 (to increase the Company's authorized common stock);

(iii) each and every Measurement Period (as defined in the COD) with regard to any share of Preferred converted by Investor or any affiliate of Investor prior to December 24, 2021 will terminate, and the provisions of Section I.G.1.d of the COD shall no longer apply with respect to any shares of Preferred converted prior to December 24, 2021;

(iv) If the Reserve Requirement and the Filing Requirement are not met by the deadlines mentioned above, Company acknowledges and agrees that (A) Company will be in uncured material breach and default under all of the Notes and Agreements, and (B) all Measurement Periods will remain open and continue to run in accordance with the terms of the COD.

The Company satisfied the Reserve Requirement by the required deadline but did not satisfy the Filing Requirement.

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Series C Preferred Stock Corrections and Amendments

On December 14, 2020, the Company, with the approval of the Board of Directors of the Company and the sole holder of the Company's Series C Preferred Stock, filed a certificate of corrections with the Secretary of State of Nevada to correct the original designation of the Series C Preferred Stock and the first amended and restated designation thereof, to correct certain errors which were identified in such designations, which failed to clarify, in error, that (A) the failure of any holder of Series C Preferred Stock to receive the number of shares of common stock due upon conversion of Series C Preferred Stock within five trading days of any conversion notice, and any halt or suspension of trading of the Company's common stock on its then applicable trading market or by any U.S. governmental agency, for 10 or more consecutive trading days, should not have been 'deemed liquidation events' under the Series C Preferred Stock designation, unless such events were due to the occurrence of an event that is solely within the control of the Company; (B) the Company was not required to redeem any shares of Series C Preferred Stock for cash solely because the Company does not have sufficient authorized but unissued shares of common stock to issue upon receipt of a notice of conversion or upon a maturity conversion (where the remaining shares of Series C Preferred Stock convert into common stock of the Company automatically on the seven year anniversary date of the Series C Preferred Stock)(a "Maturity Conversion"); and (C) that a Maturity Conversion is only required to occur to the extent that the Company has sufficient authorized but unissued shares of common stock available for issuance upon conversion in connection therewith. The corrections were made solely to match the agreements to the original intent of the parties. The parties determined the corrections were needed because without such corrections, under ASC 480- 10- S99-3A5 and ASC 480-10-S99-3A3(f), the non-corrected designations required the Series C Preferred Stock to be classified as temporary equity due to the foregoing events being outside the Company's control. However, the corrections failed to remove all redemption provisions that were outside the control of the Company. Therefore, the Series C Preferred Stock remained in temporary equity. The embedded conversion meets the requirements to be considered a derivative liability as stipulated under ASC 815-40-25, under an assessment of the conversion premium as a freestanding instrument.

The corrections were effective as of the original filing dates with the Secretary of State of Nevada of the Company's original Series C Preferred Stock designation (August 25, 2016) and the Company's first amended and restated Series C Preferred Stock designation (July 8, 2019), subject to certain exceptions set forth in the Nevada Revised Statutes.

Also on December 14, 2020, the Company, with the approval of the Board of Directors of the Company and the sole holder of the Company's Series C Preferred Stock, filed a second amended and restated designation of the Series C Preferred Stock with the Secretary of State of Nevada which was effective upon filing (the "Second Amended and Restated Designation"), which amended the first amended and restated designation of the Series C Preferred Stock (as corrected), to include the right of the Company to redeem all (but not less than all) of the outstanding shares of Series C Preferred Stock at a redemption price equal to 110% of the face value of such preferred stock ($10,000 per share), at the Company's option, at any time, in the event the Company is not in default of any of the terms of any Stock Purchase Agreement pursuant to which such applicable shares of Series C Preferred Stock were sold; (b) formally amend the measurement period for the calculation of the conversion premiums (the "Measurement Period") due under the terms of the Series C Preferred Stock to begin on the later of February 3, 2020 or, if no trigger event (as described in the designation of the Series C Preferred Stock) has occurred, 30 trading days, and if a trigger event has occurred 60 trading days, before the date of an applicable conversion notice, which had previously been agreed to contractually by the parties (i.e., the beginning of each future measurement period for conversions made after February 3, 2020, will extend back to February 3, 2020); and (c) update the references in the designation to the "Merger" which had previously referred to the Company's combination with Lineal Star Holdings, LLC, which transaction was rescinded and terminated effective December 31, 2019, to refer to the planned merger with Viking, which has the effect of the Viking merger being approved by the holder of the Series C Preferred Stock and not being a 'deemed liquidation event' under the Second Amended and Restated Designation.

On April 14, 2021, the Company, with the approval of the Board of Directors of the Company and the holders of the Company's Series C Preferred Stock, filed a certificate of correction with the Secretary of State of Nevada to correct the original designation of the Series C Preferred Stock, the first amended and restated designation, and the second amended and restated designation thereof to correct certain errors which were identified in such designations, which failed to clarify, in error, that (A) Section I.D.2(e) of the original Certificate of Designation (the "Designation") implicitly excluded as "Deemed Liquidation Event," an event or proposal that was initiated by or voted upon by the holder of the Series C Redeemable Convertible Preferred Stock (the "Preferred Shares"), and the Designation has been clarified to expressly exclude such occurrence, (B) Section I.F.4 of the Designation failed to include language to clarify the Corporation is not obligated to redeem the Preferred Shares for cash for any reason that is not solely within the control of the Corporation, (C) Section 1.G.1 of the Designation mistakenly included two subsection b's where only one was intended, and the unintended subsection b. has been removed, (D) Section I.G.1(e) of the Designation failed to include language to clarify that the Corporation not having sufficient authorized but unissued shares, solely within the control of the Corporation and excluding any event that is not solely within the control of the Corporation, is not a reason that would otherwise trigger the obligations in such section, (E) Sections I.G.1(f) and (g) of the Designation failed to include language to clarify the particular obligations apply only if the Corporation has sufficient authorized and unissued shares, (F) Section I.G.7.e of the Designation mistakenly referenced the incorrect Conversion Price, (G) Section 1.G.9 of the Designation failed to include language to clarify the maximum number of common shares that could be potentially issuable with respect to all conversions and other events that are not solely within the control of the Corporation, that the Dividend Maturity Date is to be indefinitely extended and suspended until sufficient authorized and unissued shares become available, the number of shares required to settle the excess obligation is fixed on the date that net share settlement occurs and that all provisions of the Designation are to be interpreted so that net share settlement is within the control of the Corporation.

The corrections were effective as of the original filing dates with the Secretary of State of Nevada of the Company's original Series C Preferred Stock designation (August 25, 2016) and the Company's first amended and restated Series C Preferred Stock designation (July 8, 2019), and the Company's second amended and restated Series C Preferred Stock designation (December 14, 2020), subject to certain exceptions set forth in the Nevada Revised Statutes.

On April 20, 2021, the Company, with the approval of the Board of Directors of the Company and the holders of the Company's Series C Preferred Stock, filed a third amended and restated designation of the Series C Preferred Stock with the Secretary of State of Nevada (the "Third Amended and Restated Designation"), which amended the Designations to state that dividends and conversion premiums will only be paid in shares of Company common stock, and state that redemption amounts will only be paid in shares of Company common stock. On July 10, 2021, the Company, with the approval of the Board of Directors of the Company and the holders of the Company's Series C Preferred Stock, filed an amendment to its designation of its Series C Preferred Stock with the Secretary of State of Nevada (the "Fourth Amended and Restated Designation"), solely to increase the number of preferred shares designated as Series C Preferred Stock from 5,000 to 5,200.

On November 8, 2021, the Company filed with the Secretary of State of Nevada a Fifth Amended and Restated Designation regarding its Series C Preferred Stock which amended the Designations to provide voting rights to holders of the Series C Preferred Stock as required by the October 2021 Agreements (as defined herein).

Amendments to Articles Regarding Common Shares

Effective on April 16, 2020, with the approval of the Company's stockholders at its April 16, 2020 special meeting of stockholders, the Company filed a Certificate of Amendment to its Articles of Incorporation to increase its authorized shares of common stock to 25 million shares of common stock. Effective on February 23. 2021, with the approval of the Company's stockholders at its February 23, 2021 special meeting of stockholders, the Company filed a Certificate of Amendment to its Articles of

Incorporation to increase its authorized shares of common stock to 250 million shares of common stock.

On December 30, 2021, the Company filed an amendment to the Company's articles of incorporation to effect a proposal approved at a Special Meeting of Stockholders on December 30, 2021 whereby the Company's stockholders approved an amendment to the Company's Articles of Incorporation to increase the number of authorized shares of common stock from 250,000,000 to 1,000,000,000.

Industry Segments

For the year ended December 31, 2021 and the nine months ended December 31, 2020, our operations were all crude oil and natural gas exploration and production.

Competition

We are in direct competition for properties with numerous oil and natural gas companies and partnerships exploring various areas of Louisiana, Texas, and elsewhere. Many competitors are large, well-known oil and natural gas and/or energy companies, although no single entity dominates the industry. Many of our competitors possess greater financial and personnel resources, enabling them to identify and acquire more economically desirable energy producing properties and drilling prospects than us. Additionally, there is competition from other fuel choices to supply the energy needs of consumers and industry.

Regulation

Our operations are subject to various types of regulation at the federal, state and local levels. These regulations include requiring permits for the drilling of wells; maintaining hazard prevention, health and safety plans; submitting notification and receiving permits related to the presence, use and release of certain materials incidental to oil and natural gas operations; and regulating the location of wells, the method of drilling and casing wells, the use, transportation, storage and disposal of fluids and materials used in connection with drilling and production activities, surface plugging and abandonment of wells and the transporting of production. Our operations are also subject to various conservation matters, including the number of wells which may be drilled in a unit and the unitization or pooling of oil and natural gas properties. In this regard, some states allow the forced pooling or integration of tracts to facilitate exploration, while other states rely on voluntary pooling of lands and leases, which may make it more difficult to develop oil and gas properties. In addition, state conservation laws establish maximum rates of production from oil and natural gas wells, generally limiting the venting or flaring of natural gas, and impose certain requirements regarding the ratable purchase of production. The effect of these regulations is to possibly limit the amounts of oil and natural gas we can produce from our wells and to limit the number of wells or the locations at which we can drill.

In the United States, legislation affecting the oil and natural gas industry has been pervasive and is under constant review for amendment or expansion. Pursuant to such legislation, numerous federal, state and local departments and agencies issue recommended new and extensive rules and regulations binding on the oil and natural gas industry, some of which carry substantial penalties for failure to comply. These laws and regulations have a significant impact on oil and natural gas drilling, natural gas processing plants and production activities, increasing the cost of doing business and, consequently, affect profitability. Insomuch as new legislation affecting the oil and natural gas industry is common-place and existing laws and regulations are frequently amended or reinterpreted, we may be unable to predict the future cost or impact of complying with these laws and regulations. We consider the cost of environmental protection a necessary and manageable part of our business. We have historically been able to plan for and comply with new environmental initiatives without materially altering our operating strategies.

Insurance Matters

We maintain insurance coverage which we believe is reasonable per the standards of the oil and natural gas industry. It is common for companies in these industries to not insure fully against all risks associated with their operations either because such insurance is unavailable or because premium costs are considered prohibitive. A material loss not fully covered by insurance could have an adverse effect on our financial position, results of operations or cash flows. We maintain insurance at industry customary levels to limit our financial exposure in the event of a substantial environmental claim resulting from sudden, unanticipated and accidental discharges of certain prohibited substances into the environment. Such insurance might not cover the complete amount of such a claim and would not cover fines or penalties for a violation of an environmental law.

Other Matters

*Environmental***.** Our exploration, development, and production of oil and natural gas, including our operation of saltwater injection and disposal wells, are subject to various federal, state and local environmental laws and regulations. Such laws and regulations can increase the costs of planning, designing, installing and operating oil, natural gas, and disposal wells. Our domestic activities are subject to a variety of environmental laws and regulations, including but not limited to, the Oil Pollution Act of 1990 (" OPA"), the Clean Water Act ("CWA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), the Resource Conservation and Recovery Act ("RCRA"), the Clean Air Act ("CAA"), and the Safe Drinking Water Act ("SDWA"), as well as state regulations promulgated under comparable state statutes. We are also subject to regulations governing the handling, transportation, storage, and disposal of naturally occurring radioactive materials that are found in our oil and gas operations. Civil and criminal fines and penalties may be imposed for non-compliance with these environmental laws and regulations. Additionally, these laws and regulations require the acquisition of permits or other governmental authorizations before undertaking certain activities, limit or prohibit other activities because of protected areas or species, and impose substantial liabilities for cleanup of pollution.

Under the OPA, a release of oil into water or other areas designated by the statute could result in us being held responsible for the costs of remediating such a release, certain OPA specified damages, and natural resource damages. The extent of that liability could be extensive, as set forth in the statute, depending on the nature of the release. A release of oil in harmful quantities or other materials into water or other specified areas could also result in us being held responsible under the CWA for the costs of remediation, and civil and criminal fines and penalties.

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CERCLA and comparable state statutes, also known as "Superfund" laws, can impose joint and several and retroactive liability, without regard to fault or the legality of the original conduct, on certain classes of persons for the release of a "hazardous substance" into the environment. In practice, cleanup costs are usually allocated among various responsible parties. Potentially liable parties include site owners or operators, past owners or operators under certain conditions, and entities that arrange for the disposal or treatment of, or transport hazardous substances found at the site. Although CERCLA, as amended, currently exempts petroleum, including but not limited to, crude oil, natural gas and natural gas liquids, from the definition of hazardous substance, our operations may involve the use or handling of other materials that may be classified as hazardous substances under CERCLA. Furthermore, the exemption may not be preserved in future amendments of the act, if any.

RCRA and comparable state and local requirements impose standards for the management, including treatment, storage, and disposal, of both hazardous and non- hazardous solid wastes. We generate hazardous and non-hazardous solid waste in connection with our routine operations. From time to time, proposals have been made that would reclassify certain oil and natural gas wastes, including wastes generated during drilling, production and pipeline operations, as "hazardous wastes" under RCRA, which would make such solid wastes subject to much more stringent handling, transportation, storage, disposal, and clean-up requirements. This development could have a significant impact on our operating costs. While state laws vary on this issue, state initiatives to further regulate oil and natural gas wastes could have a similar impact. Because oil and natural gas exploration and production, and possibly other activities, have been conducted at some of our properties by previous owners and operators, materials from these operations remain on some of the properties and in some instances, require remediation. In addition, in certain instances, we have agreed to indemnify sellers of producing properties from which we have acquired reserves against certain liabilities for environmental claims associated with such properties. While we do not believe that costs to be incurred by us for compliance and remediating previously or currently owned or operated properties will be material, there can be no guarantee that such costs will not result in material expenditures.

Additionally, in the course of our routine oil and natural gas operations, surface spills and leaks, including casing leaks, of oil or other materials occur, and we incur costs for waste handling and environmental compliance. Moreover, we are able to control directly the operations of only those wells for which we act as the operator. Management believes that we are in substantial compliance with applicable environmental laws and regulations.

In response to liabilities associated with these activities, accruals are established when reasonable estimates are possible. Such accruals would primarily include estimated costs associated with remediation. We have used discounting to present value in determining our accrued liabilities for environmental remediation or well closure, but no material claims for possible recovery from third party insurers or other parties related to environmental costs have been recognized in our financial statements. We adjust the accruals when new remediation responsibilities are discovered and probable costs become estimable, or when current remediation estimates must be adjusted to reflect new information.

We do not anticipate being required in the near future to expend amounts that are material in relation to our total capital expenditures program by reason of environmental laws and regulations, but inasmuch as such laws and regulations are frequently changed, we are unable to predict the ultimate cost of compliance. More stringent laws and regulations protecting the environment may be adopted in the future and we may incur material expenses in connection with environmental laws and regulations in the future.

Occupational Health and Safety. We are also subject to laws and regulations concerning occupational safety and health. Due to the continued changes in these laws and regulations, and the judicial construction of many of them, we are unable to predict with any reasonable degree of certainty our future costs of complying with these laws and regulations. We consider the cost of safety and health compliance a necessary and manageable part of our business. We have been able to plan for and comply with new initiatives without materially altering our operating strategies.

Hydraulic Fracturing. Vast quantities of natural gas, natural gas liquids and oil deposits exist in deep shale and other unconventional formations. It is customary in our industry to recover these resources through the use of hydraulic fracturing, combined with horizontal drilling. Hydraulic fracturing is the process of creating or expanding cracks, or fractures, in deep underground formations using water, sand and other additives pumped under high pressure into the formation. As with the rest of the industry, we use hydraulic fracturing as a means to increase the productivity of almost every well that we drill and complete. These formations are generally geologically separated and isolated from fresh ground water supplies by thousands of feet of impermeable rock layers. We follow applicable legal requirements for groundwater protection in our operations that are subject to supervision by state and federal regulators (including the Bureau of Land Management ("BLM") on federal acreage). Furthermore, our well construction practices require the installation of multiple layers of protective steel casing surrounded by cement that are specifically designed and installed to protect freshwater aquifers by preventing the migration of fracturing fluids into aquifers.

Injection rates and pressures are required to be monitored in real time at the surface during our hydraulic fracturing operations. Pressure is required to be monitored on both the injection string and the immediate annulus to the injection string. Hydraulic fracturing operations are required to be shut down if an abrupt change occurs to the injection pressure or annular pressure. These aspects of hydraulic fracturing operations are designed to prevent a pathway for the fracturing fluid to contact any aquifers during the hydraulic fracturing operations.

Hydraulic fracture stimulation requires the use of water. We use fresh water or recycled produced water in our fracturing treatments in accordance with applicable water management plans and laws. Several proposals have previously been presented to the U.S. Congress that, if implemented, would either prohibit or restrict the practice of hydraulic fracturing or subject the process to regulation under the Safe Drinking Water Act. Several states have previously considered, or are currently considering, legislation to regulate hydraulic fracturing practices that could impose more stringent permitting, transparency, and well construction requirements on hydraulic-fracturing operations or otherwise seek to ban fracturing activities altogether. Hydraulic fracturing of wells and subsurface water disposal are also under public and governmental scrutiny due to potential environmental and physical impacts, including possible contamination of groundwater and drinking water and possible links to earthquakes. In addition, some municipalities have significantly limited or prohibited drilling activities and/or hydraulic fracturing, or are considering doing so.

Restrictions on hydraulic fracturing could make it prohibitive to conduct our operations, and also reduce the amount of oil, natural gas liquids and natural gas that we are ultimately able to produce in commercial quantities from our properties.

The Endangered Species Act. The Endangered Species Act ("ESA") restricts activities that may affect areas that contain endangered or threatened species or their habitats. While some of our assets and lease acreage may be located in areas that are designated as habitats for endangered or threatened species, we believe that we are in substantial compliance with the ESA. However, the designation of previously unidentified endangered or threatened species in areas where we intend to conduct construction activity could materially limit or delay our plans.

Global Warming and Climate Change. Various state governments and regional organizations are considering enacting new legislation and promulgating new regulations governing or restricting the emission of greenhouse gases from stationary sources such as our equipment and operations. Legislative and regulatory proposals for restricting greenhouse gas emissions or otherwise addressing climate change could require us to incur additional operating costs and could adversely affect demand for the natural gas and oil that we sell. The potential increase in our operating costs could include new or increased costs to obtain permits, operate and maintain our equipment and facilities, install new emission controls on our equipment and facilities, acquire allowances to authorize our greenhouse gas emissions, pay taxes related to our greenhouse gas emissions and administer and manage a greenhouse gas emissions program.

Taxation. Our operations, as is the case in the petroleum industry generally, are significantly affected by federal tax laws. Federal, as well as state, tax laws have many provisions applicable to corporations which could affect our future tax liabilities.

Commitments and Contingencies. We are liable for future restoration and abandonment costs associated with our oil and gas properties. These costs include future site restoration, post closure and other environmental exit costs. The costs of future restoration and well abandonment have not been determined in detail. State regulations require operators to post bonds that assure that well sites will be properly plugged and abandoned. We currently operate only in Texas, which requires a security bond based on the number of wells we operate. Management views this as a necessary requirement for operations and does not believe that these costs will have a material adverse effect on our financial position as a result of this requirement.

Employees

The Company now has 9 fulltime employees, all working at the Company's office in Houston, Texas. Outside of the Houston operation, the Company continues to retain outside consultants as needed, involved in business development, business analysis, financial consulting, web programming and designing, execution and support of the Company's business.

Reports to Securities Holders

The Company provides its annual report that includes its audited financial information to its shareholders upon written request. The Company also makes its financial information equally available to any interested parties or investors through compliance with the disclosure rules of the Exchange Act. The Company is subject to disclosure filing requirements including filing Form 10-K's annually and Form 10-Q's quarterly. In addition, the Company files Form 8-K and other proxy and information statements from time to time as required.

The public may read and copy any materials that the Company files with the SEC at the SEC's Public Reference Room at 100 F Street NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains a website (http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

ITEM 1A. RISK FACTORS.

Our business and operations are subject to many risks. The risks described below may not be the only risks we face, as our business and operations may also be subject to risks that we do not yet know of, or that we currently believe are immaterial. If any of the events or circumstances described below actually occurs, our business, financial condition, results of operations or cash flow could be materially and adversely affected and the trading price of our common stock could decline. The following risk factors should be read in conjunction with the other information contained herein, including the financial statements and the related notes. Please read " Cautionary Note Regarding Forward-Looking Statements" in this filing, where we describe additional uncertainties associated with our business and the forward-looking statements included or incorporated by reference in this filing.

Our securities should only be purchased by persons who can afford to lose their entire investment in us. You should carefully consider the following risk factors and other information in this filing before deciding to become a holder of our securities. If any of the following risks actually occur, our business and financial results could be negatively affected to a significant extent.

Lineal owes us a substantial amount of money which may not be timely repaid, if at all.

Pursuant to a December 31, 2019 Redemption Agreement entered into between us and the prior owners of Lineal, we entered into a new unsecured promissory note in the amount of $1,539,719 with Lineal, evidencing the outstanding amount of a prior July 2019 promissory note, together with additional amounts loaned by us to Lineal through December 31, 2019 (the "December 2019 Lineal Note"); and loaned Lineal an additional $800,000, which was evidenced by an unsecured promissory note in the amount of $800,000, entered into by Lineal in favor of Camber on December 31, 2019 ("Lineal Note No. 2"). The December 2019 Lineal Note and Lineal Note No. 2, accrue interest, payable quarterly in arrears, beginning on March 31, 2020 and continuing until December 31, 2021, when all interest and principal is due, at 8% and 10% per annum (18% upon the occurrence of an event of default), respectively. The December 2019 Lineal Note and Lineal Note No. 2 are unsecured. Due to the impact of COVID-19 on its operations, Lineal notified the Company that it currently has insufficient liquidity to make scheduled interest payments due under the notes. As of December 31, 2021, Lineal is in arrears for interest due since July 1, 2020. As of December 31, 2021, the Company has fully reserved the note receivable and all accrued, but unpaid interest in its allowance for bad debts.

Our Business and operations may be adversely affected by the recent COVID-19 pandemic or other similar outbreaks.

As a result of the recent COVID-19 outbreak or other adverse public health developments, including voluntary and mandatory quarantines, travel restrictions and other restrictions, our operations, and those of our subcontractors, customers and suppliers, have and may continue to experience delays or disruptions and temporary suspensions of operations. In addition, our financial condition and results of operations have been and may continue to be adversely affected by the coronavirus outbreak.

The timeline and potential magnitude of the COVID-19 outbreak is currently unknown. The continuation or amplification of this virus could continue to more broadly affect the United States and global economy, including our business and operations, and the demand for oil and gas (as it has already). For example, a significant outbreak of coronavirus or other contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect our operating results. In addition, the effects of COVID-19 and concerns regarding its global spread have recently negatively impacted the domestic and international demand for crude oil and natural gas, which has contributed to price volatility, impacted the price we receive for oil and natural gas and materially and adversely affected the demand for and marketability of our production. As the potential impact from COVID-19 is difficult to predict, the extent to which it may negatively affect our operating results or the duration of any potential business disruption is uncertain. Any impact will depend on future developments and new information that may emerge regarding the severity and duration of COVID-19 and the actions taken by authorities to contain it or treat its impact, all of which are beyond our control. These potential impacts, while uncertain, could adversely affect our operating results.

Furthermore, COVID-19 and the measures being taken to address and limit the spread of the virus have adversely affected the economies and financial markets of many countries, resulting in an economic downturn that has negatively impacted, and may continue to negatively impact, global demand and prices for crude oil and NGLs. If the COVID-19 outbreak should continue or worsen, we may also experience disruptions to commodities markets, equipment supply chains and the availability of personnel, which could adversely affect our ability to conduct our business and operations. There are still too many variables and uncertainties regarding the COVID-19 pandemic - including the ultimate geographic spread of the virus, the duration and severity of the outbreak and the extent of travel restrictions and business closures imposed in affected countries - to fully assess the potential impact on our business and operations.

We may have difficulty managing growth in our business, which could have a material adverse effect on our business, financial condition and results of operations and our ability to execute our business plan in a timely fashion.

Because of our small size, growth in accordance with our business plans, if achieved, will place a significant strain on our financial, technical, operational and management resources. If we expand our activities, developments and production, and increases in the number of projects we are evaluating or in which we participate, there will be additional demands on our financial, technical and management resources. The failure to continue to upgrade our technical, administrative, operating and financial control systems or the occurrence of unexpected expansion difficulties, including the inability to recruit and retain experienced managers, geoscientists, petroleum engineers, landmen, engineers and employees could have a material adverse effect on our business, financial condition and results of operations and our ability to execute our business plan in a timely fashion.

We depend significantly upon the continued involvement of our present management.

We depend to a significant degree upon the involvement of our management, specifically, our Chief Executive Officer, James G. Doris, and our Chief Financial Officer, Frank Barker, who were appointed on December 23, 2020 concurrent with the Acquisition. Mr. Doris is in charge of our strategic planning and operations. Our performance and success are dependent to a large extent on the efforts and continued employment of Mr. Doris and Mr. Barker. We do not believe that Mr. Doris or Mr. Barker could be quickly replaced with personnel of equal experience and capabilities, and their successor(s) may not be as effective. If Mr. Doris, Mr. Barker, or any of our other key personnel resign or become unable to continue in their present roles and if they are not adequately replaced, our business operations could be adversely affected.

We also have an active Board of Directors that meets several times throughout the year and is intimately involved in its business and the determination of our operational strategies. Members of our Board of Directors work closely with management to identify potential prospects, acquisitions and areas for further development. If any of our directors resign or become unable to continue in their present role, it may be difficult to find replacements with the same knowledge and experience and as a result, our operations may be adversely affected.

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Future increases in our tax obligations; either due to increases in taxes on energy products, energy service companies and exploration activities or reductions in currently available federal income tax deductions with respect to oil and natural gas exploration and development, may adversely affect our results of operations and increase our operating expenses.

Federal, state and local governments have jurisdiction in areas where we operate and impose taxes on the oil and natural gas products we sell. There are constant discussions by federal, state and local officials concerning a variety of energy tax proposals, some of which, if passed, would add or increase taxes on energy products, service companies and exploration activities. The passage of any legislation or any other changes in U.S. federal income tax laws could impact or increase the taxes that we are required to pay and consequently adversely affect our results of operations and/or increase our operating expenses.

Because of the inherent dangers involved in oil and gas exploration, there is a risk that we may incur liability or damages for our conduct or our business operations, which could force us to expend a substantial amount of money in connection with litigation and/or a settlement.

The oil and natural gas business involve a variety of operating hazards and risks such as well blowouts, pipe failures, casing collapse, explosions, uncontrollable flows of oil, natural gas or well fluids, fires, spills, pollution, releases of toxic gas and other environmental hazards and risks. These hazards and risks could result in substantial losses to us from, among other things, injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, cleanup responsibilities, regulatory investigation and penalties and suspension of operations. In addition, we may be liable for environmental damages caused by previous owners of property purchased and leased by us in the future. As a result, substantial liabilities to third parties or governmental entities may be incurred, the payment of which could reduce or eliminate the funds available for the purchase of properties and/or property interests, exploration, development or acquisitions or result in the loss of our properties and/or force us to expend substantial monies in connection with litigation or settlements. As such, our current insurance or the insurance that we may obtain in the future may not be adequate to cover any losses or liabilities. We cannot predict the availability of insurance or the availability of insurance at premium levels that justify its purchase. The occurrence of a significant event not fully insured or indemnified against could materially and adversely affect our financial condition and operations. We may elect to self-insure if management believes that the cost of insurance, although available, is excessive relative to the risks presented. In addition, pollution and environmental risks generally are not fully insurable. The occurrence of an event not fully covered by insurance could have a material adverse effect on our financial condition and results of operations, which could lead to any investment in us declining in value or becoming worthless.

We incur certain costs to comply with government regulations, particularly regulations relating to environmental protection and safety, and could incur even greater costs in the future.

Our operations are regulated extensively at the federal, state and local levels and are subject to interruption or termination by governmental and regulatory authorities based on environmental or other considerations. Moreover, we have incurred and will continue to incur costs in our efforts to comply with the requirements of environmental, safety and other regulations. Further, the regulatory environment in the oil and natural gas industry could change in ways that we cannot predict and that might substantially increase our costs of compliance and, in turn, materially and adversely affect our business, results of operations and financial condition.

Specifically, as an owner or lessee and operator of crude oil and natural gas properties, we are subject to various federal, state, local and foreign regulations relating to the discharge of materials into, and the protection of, the environment. These regulations may, among other things, impose liability on us for the cost of pollution cleanup resulting from operations, subject us to liability for pollution damages and require suspension or cessation of operations in affected areas. Moreover, we are subject to the United States ("U.S.") EPA rule requiring annual reporting of greenhouse gas ("GHG") emissions. Changes in, or additions to, these regulations could lead to increased operating and compliance costs and, in turn, materially and adversely affect our business, results of operations and financial condition.

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We are aware of the increasing focus of local, state, national and international regulatory bodies on GHG emissions and climate change issues. In addition to the U.S. EPA's rule requiring annual reporting of GHG emissions, we are also aware of legislation proposed by U.S. lawmakers to reduce GHG emissions.

Additionally, there have been various proposals to regulate hydraulic fracturing at the federal level, including possible regulations limiting the ability to dispose of produced waters. Currently, the regulation of hydraulic fracturing is primarily conducted at the state level through permitting and other compliance requirements. Any new federal regulations that may be imposed on hydraulic fracturing could result in additional permitting and disclosure requirements (such as the reporting and public disclosure of the chemical additives used in the fracturing process) and in additional operating restrictions. In addition to the possible federal regulation of hydraulic fracturing, some states and local governments have considered imposing various conditions and restrictions on drilling and completion operations, including requirements regarding casing and cementing of wells, testing of nearby water wells, restrictions on the access to and usage of water and restrictions on the type of chemical additives that may be used in hydraulic fracturing operations. Such federal and state permitting and disclosure requirements and operating restrictions and conditions could lead to operational delays and increased operating and compliance costs and, moreover, could delay or effectively prevent the development of crude oil and natural gas from formations which would not be economically viable without the use of hydraulic fracturing.

We will continue to monitor and assess any new policies, legislation, regulations and treaties in the areas where we operate to determine the impact on our operations and take appropriate actions, where necessary. We are unable to predict the timing, scope and effect of any currently proposed or future laws, regulations or treaties, but the direct and indirect costs of such laws, regulations and treaties (if enacted) could materially and adversely affect our business, results of operations and financial condition.

Possible regulation related to global warming and climate change could have an adverse effect on our operations and demand for oil and gas.

Studies over recent years have indicated that emissions of certain gases may be contributing to warming of the Earth's atmosphere. In response to these studies, governments have begun adopting domestic and international climate change regulations that require reporting and reductions of the emission of greenhouse gases. Methane, a primary component of natural gas, and carbon dioxide, a by-product of the burning of oil, natural gas and refined petroleum products, are considered greenhouse gases. In the United States, at the state level, many states, either individually or through multi-state regional initiatives, have begun implementing legal measures to reduce emissions of greenhouse gases, primarily through the planned development of emission inventories or regional greenhouse gas cap and trade programs or have begun considering adopting greenhouse gas regulatory programs. At the federal level, Congress has considered legislation that could establish a cap-and-trade system for restricting greenhouse gas emissions in the United States. The ultimate outcome of this federal legislative initiative remains uncertain. In addition to pending climate legislation, the EPA has issued greenhouse gas monitoring and reporting regulations. Beyond measuring and reporting, the EPA issued an "Endangerment Finding" under section 202(a) of the Clean Air Act, concluding that greenhouse gas pollution threatens the public health and welfare of current and future generations. The finding served as a first step to issuing regulations that require permits for and reductions in greenhouse gas emissions for certain facilities. Moreover, the EPA has begun regulating greenhouse gas emission from certain facilities pursuant to the Prevention of Significant Deterioration and Title V provisions of the Clean Air Act. In the courts, several decisions have been issued that may increase the risk of claims being filed by government entities and private parties against companies that have significant greenhouse gas emissions. Such cases may seek to challenge air emissions permits that greenhouse gas emitters apply for and seek to force emitters to reduce their emissions or seek damages for alleged climate change impacts to the environment, people, and property. Any existing or future laws or regulations that restrict or reduce emissions of greenhouse gases could require us to incur increased operating and compliance costs. In addition, such laws and regulations may adversely affect demand for the fossil fuels we produce, including by increasing the cost of combusting fossil fuels and by creating incentives for the use of alternative fuels and energy.

Our officers and directors have limited liability, and we are required in certain instances to indemnify our officers and directors for breaches of their fiduciary duties.

We have adopted provisions in our articles of incorporation and bylaws which limit the liability of our officers and directors and provide for indemnification by us of our officers and directors to the full extent permitted by Nevada corporate law. Our articles generally provide that our officers and directors shall have no personal liability to us or our stockholders for monetary damages for breaches of their fiduciary duties as directors, except for breaches of their duties of loyalty, acts or omissions not in good faith or which involve intentional misconduct or knowing violation of law, acts involving unlawful payment of dividends or unlawful stock purchases or redemptions, or any transaction from which a director derives an improper personal benefit. Such provisions substantially limit our stockholders' ability to hold officers and directors liable for breaches of fiduciary duty, and may require us to indemnify our officers and directors.

We currently have outstanding indebtedness and we may incur additional indebtedness which could reduce our financial flexibility, increase interest expense and adversely impact our operations in the future.

We currently have outstanding indebtedness and, in the future, may incur significant amounts of additional indebtedness in order to make acquisitions or to develop properties. Our level of indebtedness could affect our operations in several ways, including the following:

- a significant portion of our cash flows could be used to service our indebtedness;
- a high level of debt would increase our vulnerability to general adverse economic and industry conditions;
- any covenants contained in the agreements governing our outstanding indebtedness could limit our ability to borrow additional funds;
- dispose of assets, pay dividends and make certain investments;
- a high level of debt may place us at a competitive disadvantage compared to our competitors that are less leveraged and, therefore, they may be able to take advantage of opportunities that our indebtedness may prevent us from pursuing; and
- debt covenants to which we may agree may affect our flexibility in planning for, and reacting to, changes in the economy and in its industry.

A high level of indebtedness increases the risk that we may default on our debt obligations. We may not be able to generate sufficient cash flows to pay the principal or interest on our debt, and future working capital, borrowings or equity financing may not be available to pay or refinance such debt. If we do not have sufficient funds and are otherwise unable to arrange financing, we may have to sell significant assets or have a portion of our assets foreclosed upon which could have a material adverse effect on our business, financial condition and results of operations.

We may experience adverse impacts on our reported results of operations as a result of adopting new accounting standards or interpretations.

Our implementation of and compliance with changes in accounting rules, including new accounting rules and interpretations, could adversely affect our reported financial position or operating results or cause unanticipated fluctuations in our reported operating results in future periods.

We have identified material weaknesses in our disclosure controls and procedures and internal control over financial reporting. If not remediated, our failure to establish and maintain effective disclosure controls and procedures and internal control over financial reporting could result in material misstatements in our financial statements and a failure to meet our reporting and financial obligations, each of which could have a material adverse effect on our financial condition and the trading price of our common stock.

Maintaining effective internal control over financial reporting and effective disclosure controls and procedures are necessary for us to produce reliable financial statements. As reported under "Part II - Item 9A. Controls and Procedures", as of December 31, 2021, our CEO and CFO have determined that our disclosure controls and procedures were not effective, and such disclosure controls and procedures have not been deemed effective since approximately September 30, 2017. Separately, management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2021 and determined that such internal control over financial reporting was not effective as a result of such assessment.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

Maintaining effective disclosure controls and procedures and effective internal control over financial reporting are necessary for us to produce reliable financial statements and the Company is committed to remediating its material weaknesses in such controls as promptly as possible. However, there can be no assurance as to when these material weaknesses will be remediated or that additional material weaknesses will not arise in the future. Any failure to remediate the material weaknesses, or the development of new material weaknesses in our internal control over financial reporting, could result in material misstatements in our financial statements and cause us to fail to meet our reporting and financial obligations, which in turn could have a material adverse effect on our financial condition and the trading price of our common stock, and/or result in litigation against us or our management. In addition, even if we are successful in strengthening our controls and procedures, those controls and procedures may not be adequate to prevent or identify irregularities or facilitate the fair presentation of our financial statements or our periodic reports filed with the SEC.

Risks Relating to Our Oil and Gas Operations and Industry

We are subject to production declines and loss of revenue due to shut-in wells.

The majority of our oil and gas production revenues come from a number of producing wells. In the event those wells are required to be shut-in (as they were for various periods in the past), our production and revenue could be adversely affected. Our wells are shut-in from time-to-time for maintenance, workovers, upgrades and other matters outside of our control, including repairs, adverse weather (including hurricanes, flooding and tropical storms), inability to dispose of produced water or other regulatory and market conditions. Any significant period where our wells, and especially our top producing wells, are shut-in, would have a material adverse effect on our results of production, oil and gas revenues and net income or loss for the applicable period. However, notwithstanding the above, Camber's management believes that Camber's non-operated properties will be immaterial to the combined company following the merger and following the merger the combined company's management will determine what course to take regarding such combined company assets, including Camber's non-operated properties.

Many of our leases are in areas that have been partially depleted or drained by offset wells.

Many of our leases are in areas that have been partially depleted or drained by offset drilling. Interference from offset drilling may inhibit our ability to find or recover commercial quantities of oil and/or may result in an acceleration in the decline in production of our wells, which may in turn have an adverse effect on our recovered barrels of oil and consequently our results of operations.

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Crude oil and natural gas prices are highly volatile in general and low prices will negatively affect our financial results.

Our oil and gas revenues, operating results, profitability, cash flow, future rate of growth and ability to borrow funds or obtain additional capital, as well as the carrying value of our oil and natural gas properties, are substantially dependent upon prevailing prices of crude oil and natural gas. Lower crude oil and natural gas prices also may reduce the amount of crude oil and natural gas that we can produce economically. Historically, the markets for crude oil and natural gas have been very volatile, and such markets are likely to continue to be volatile in the future. Prices for oil and natural gas fluctuate widely in response to a variety of factors beyond our control, such as:

- overall U.S. and global economic conditions;
- weather conditions and natural disasters;
- seasonal variations in oil and natural gas prices;
- price and availability of alternative fuels;
- technological advances affecting oil and natural gas production and consumption;
- consumer demand;
- domestic and foreign supply of oil and natural gas;

- variations in levels of production;
- regional price differentials and quality differentials of oil and natural gas; price and quantity of foreign imports of oil, NGLs, and natural gas;
- global pandemics and epidemics, such as COVID-19;
- the completion of large domestic or international exploration and production projects;
- restrictions on exportation of oil and natural gas;
- the availability of refining capacity;
- the impact of energy conservation efforts;
- political conditions in or affecting other oil producing and natural gas producing countries, including the current conflicts in the Middle East and conditions in South America and Russia; and
- domestic and foreign governmental regulations, actions and taxes.

Further, oil and natural gas prices do not necessarily fluctuate in direct relation to each other. Our revenue, profitability, and cash flow depend upon the prices of supply and demand for oil and natural gas, and a drop in prices can significantly affect our financial results and impede our growth. In particular, declines in commodity prices may:

- negatively impact the value of our reserves, because declines in oil and natural gas prices would reduce the value and amount of oil and natural gas that we can produce economically;

- reduce the amount of cash flow available for capital expenditures, repayment of indebtedness, and other corporate purposes; and

- limit Camber's ability to borrow money or raise additional capital.

Downturns and volatility in global economies and commodity and credit markets have materially adversely affected our business, results of operations and financial condition.

Our results of operations are materially adversely affected by the conditions of the global economies and the credit, commodities and stock markets. Among other things, we have recently been adversely impacted, and anticipate to continue to be adversely impacted, due to a global reduction in consumer demand for oil and gas, and consumer lack of access to sufficient capital to continue to operate their businesses or to operate them at prior levels. In addition, a decline in consumer confidence or changing patterns in the availability and use of disposable income by consumers can negatively affect the demand for oil and gas and as a result our results of operations.

We face intense competition in connection with our oil and gas operations.

We are in direct competition for properties with numerous oil and natural gas companies, drilling and income programs and partnerships exploring various areas of Texas and Oklahoma. Many competitors are large, well-known energy companies, although no single entity dominates the industry. Many of our competitors possess greater financial and personnel resources enabling them to identify and acquire more economically desirable energy producing properties and drilling prospects than us. Additionally, there is competition from other fuel choices to supply the energy needs of consumers and industry. Management believes that a viable marketplace exists for smaller producers of natural gas and crude oil.

Our oil and gas competitors may use superior technology and data resources that we may be unable to afford or that would require a costly investment by us in order to compete with them more effectively.

The oil and gas industry is subject to rapid and significant advancements in technology, including the introduction of new products and services using new technologies and databases. As our competitors use or develop new technologies, we may be placed at a competitive disadvantage, and competitive pressures may force us to implement new technologies at a substantial cost. In addition, many of our competitors will have greater financial, technical and personnel resources that allow them to enjoy technological advantages and may in the future allow them to implement new technologies before we can. We cannot be certain that we will be able to implement technologies on a timely basis or at a cost that is acceptable to us. One or more of the technologies that we will use or that we may implement in the future may become obsolete, and we may be adversely affected.

Restrictions on drilling activities intended to protect certain species of wildlife may adversely affect our ability to conduct drilling activities in some of the areas where we operate.

Oil and natural gas operations in our operating areas can be adversely affected by seasonal or permanent restrictions on drilling activities designed to protect various wildlife. Seasonal restrictions may limit our ability to operate in protected areas and can intensify competition for drilling rigs, oilfield equipment, services, supplies and qualified personnel, which may lead to periodic shortages when drilling is allowed. These constraints and the resulting shortages or high costs could delay our operations and materially increase our operating and capital costs. Permanent restrictions imposed to protect endangered species could prohibit drilling in certain areas or require the implementation of expensive mitigation measures. Specifically, applicable laws protecting endangered species prohibit the harming of endangered or threatened species, provide for habitat protection, and impose stringent penalties for noncompliance. The designation of previously unprotected species as threatened or endangered in areas where we operate could cause us to incur increased costs arising from species protection measures or could result in limitations, delays, or prohibitions on our exploration and production activities that could have an adverse impact on our ability to develop and produce our reserves.

If we do not hedge our exposure to reductions in oil and natural gas prices, we may be subject to significant reductions in prices. Alternatively, we use oil and natural gas price hedging contracts, which involve credit risk and may limit future revenues from price increases and result in significant fluctuations in our profitability.

In the event that we choose not to hedge our exposure to reductions in oil and natural gas prices by purchasing futures and by using other hedging strategies, we may be subject to significant reduction in prices which could have a material negative impact on our profitability. Alternatively, we use hedging transactions with respect to a portion of our oil and natural gas production to achieve more predictable cash flow and to reduce our exposure to price fluctuations. While the use of hedging transactions limits the downside risk of price declines, their use also may limit future revenues from price increases. Hedging transactions also involve the risk that the counterparty may be unable to satisfy its obligations.

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Declines in oil and, to a lesser extent, NGL and natural gas prices, have in the past, and will continue in the future to, adversely affect our business, financial condition and results of operations may adversely affect our ability to meet our capital expenditure obligations or targets and financial commitments.

The price we receive for oil and, to a lesser extent, natural gas and NGLs, heavily influences our revenue, profitability, cash flows, liquidity, access to capital, present value and quality of reserves, the nature and scale of our operations and future rate of growth. Oil, NGL and natural gas are commodities and, therefore, their prices are subject to wide fluctuations in response to relatively minor changes in supply and demand. In recent years, the markets for oil and natural gas have been volatile. These markets will likely continue to be volatile in the future. Further, oil prices and natural gas prices do not necessarily fluctuate in direct relation to each other. In general, our financial results are more sensitive to movements in oil prices. The price of crude oil has experienced significant volatility over the last five years, with the price per barrel of West Texas Intermediate ("WTI") crude rising from a low of $27 in February 2016 to a high of $76 in October 2018, then, in 2020, dropping below $20 per barrel due in part to reduced global demand stemming from the recent global COVID-19 outbreak, provided that pricing has since increased to over $100 per barrel prior to the filing of this Report. A prolonged period of low market prices for oil and natural gas, or further declines in the market prices for oil and natural gas, will likely result in capital expenditures being further curtailed and will adversely affect our business, financial condition and liquidity and our ability to meet obligations, targets or financial commitments and could ultimately lead to restructuring or filing for bankruptcy, which would have a material adverse effect on our stock price and indebtedness.

Our oil and gas operations are substantially dependent on the availability of water. Restrictions on our ability to obtain water may have an adverse effect on our financial condition, results of operations and cash flows.

Water is an essential component of deep shale oil and natural gas production during both the drilling and hydraulic fracturing, or fracking processes. Our oil and gas operations and future operations could be adversely impacted if we are unable to locate sufficient amounts of water or dispose of or recycle water used in our exploration and production operations. Currently, the quantity of water required in certain completion operations, such as hydraulic fracturing, and changing regulations governing usage may lead to water constraints and supply concerns (particularly in some parts of the country). As a result, future availability of water from certain sources used in the past may be limited. Moreover, the imposition of new environmental initiatives and conditions could include restrictions on our ability to conduct certain operations such as hydraulic fracturing or disposal of waste, including, but not limited to, produced water, drilling fluids and other wastes associated with the exploration, development or production of oil and natural gas. The CWA and analogous state laws impose restrictions and strict controls regarding the discharge of pollutants, including produced waters and other oil and natural gas waste, into navigable waters or other regulated federal and state waters. Permits or other approvals must be obtained to discharge pollutants to regulated waters and to conduct construction activities in such waters and wetlands. Uncertainty regarding regulatory jurisdiction over wetlands and other regulated waters has, and will continue to, complicate and increase the cost of obtaining such permits or other approvals. The CWA and analogous state laws provide for civil, criminal and administrative penalties for any unauthorized discharges of pollutants and unauthorized discharges of reportable quantities of oil and other hazardous substances. Many state discharge regulations, and the Federal National Pollutant Discharge Elimination System General permits issued by the United States Environmental Protection Agency ("EPA"), prohibit the discharge of produced water and sand, drilling fluids, drill cuttings and certain other substances related to the oil and natural gas industry into coastal waters. While generally exempt under federal programs, many state agencies have also adopted regulations requiring certain oil and natural gas exploration and production facilities to obtain permits for storm water discharges. There has been recent nationwide concern over earthquakes associated with Class II underground injection control wells, a predominant storage method for crude oil and gas wastewater. It is likely that new rules and regulations will be developed to address these concerns, possibly eliminating access to Class II wells in certain locations, and increasing the cost of disposal in others. Finally, EPA studies have previously focused on various stages of water use in hydraulic fracturing operations. It is possible that, in the future, the EPA will move to more strictly regulate the use of water in hydraulic fracturing operations. While we cannot predict the impact that these changes may have on our business at this time, they may be material to our business, financial condition, and operations. Compliance with environmental regulations and permit requirements governing the withdrawal, storage and use of surface water or groundwater necessary for hydraulic fracturing of wells or the disposal or recycling of water will increase our operating costs and may cause delays, interruptions or termination of our operations, the extent of which cannot be predicted. In addition, our inability to meet our water supply needs to conduct our completion operations may impact our business, and any such future laws and regulations could negatively affect our financial condition, results of operations and cash flows.

If we acquire crude oil and natural gas properties in the future, our failure to fully identify existing and potential problems, to accurately estimate reserves, production rates or costs, or to effectively integrate the acquired properties into our operations could materially and adversely affect our business, financial condition and results of operations.

From time to time, we seek to acquire crude oil and natural gas properties. Although we perform reviews of properties to be acquired in a manner that we believe is duly diligent and consistent with industry practices, reviews of records and properties may not necessarily reveal existing or potential problems, and may not permit us to become sufficiently familiar with the properties in order to fully assess their deficiencies and potential. Even when problems with a property are identified, we may assume environmental and other risks and liabilities in connection with acquired properties pursuant to the acquisition agreements. Moreover, there are numerous uncertainties inherent in estimating quantities of crude oil and natural gas reserves (as discussed further below), actual future production rates and associated costs with respect to acquired properties. Actual reserves, production rates and costs may vary substantially from those assumed in our estimates. We may be unable to locate or make suitable acquisitions on acceptable terms and future acquisitions may not be effectively and profitably integrated. Acquisitions involve risks that could divert management resources and/or result in the possible loss of key employees and customers of the acquired operations. For the reasons above, among others, an acquisition may have a material and adverse effect on our business and results of operations, particularly during the periods in which the operations of the acquired properties are being integrated into our ongoing operations or if we are unable to effectively integrate the acquired properties into our ongoing operations.

If we make any acquisitions or enter into any business combinations in the future, they may disrupt or have a negative impact on our business.

If we make acquisitions or enter into any business combinations in the future, funding permitting, we could have difficulty integrating the acquired companies' assets, personnel and operations with our own. Additionally, acquisitions, mergers or business combinations we may enter into in the future (other than the Merger) could result in a change of control of the Company, and a change in the Board of Directors or officers of the Company. In addition, the key personnel of the acquired business may not be willing to work for us. We cannot predict the effect expansion may have on our core business. Regardless of whether we are successful in making an acquisition or completing a business combination, the negotiations could disrupt our ongoing business, distract our management and employees and increase our expenses. In addition to the risks described above, acquisitions and business combinations are accompanied by a number of inherent risks, including, without limitation, the following:

- the difficulty of integrating acquired companies, concepts and operations;
- the potential disruption of the ongoing businesses and distraction of our management and the management of acquired companies;
- change in our business focus and/or management;
- difficulties in maintaining uniform standards, controls, procedures and policies;
- the potential impairment of relationships with employees and partners as a result of any integration of new management personnel;
- the potential inability to manage an increased number of locations and employees;
- our ability to successfully manage the companies and/or concepts acquired;
- the failure to realize efficiencies, synergies and cost savings; or
- the effect of any government regulations which relate to the business acquired.

Our business could be severely impaired if and to the extent that we are unable to succeed in addressing any of these risks or other problems encountered in connection with an acquisition or business combination, many of which cannot be presently identified. These risks and problems could disrupt our ongoing business, distract our management and employees, increase our expenses and adversely affect our results of operations.

Any acquisition or business combination transaction we enter into in the future could cause substantial dilution to existing stockholders, result in one party having majority or significant control over the Company or result in a change in business focus of the Company.

Our business is subject to extensive regulation.

As many of our activities are subject to federal, state and local regulation, and as these rules are subject to constant change or amendment, our operations may be adversely affected by new or different government regulations, laws or court decisions applicable to our operations.

Government regulation and liability for environmental matters may adversely affect our business and results of operations.

Crude oil and natural gas operations are subject to extensive federal, state and local government regulations, which may be changed from time to time. Matters subject to regulation include discharge permits for drilling operations, drilling bonds, reports concerning operations, the spacing of wells, unitization and pooling of properties and taxation. From time to time, regulatory agencies have imposed price controls and limitations on production by restricting the rate of flow of crude oil and natural gas wells below actual production capacity in order to conserve supplies of crude oil and natural gas. There are federal, state and local laws and regulations primarily relating to protection of human health and the environment applicable to the development, production, handling, storage, transportation and disposal of crude oil and natural gas, byproducts thereof and other substances and materials produced or used in connection with crude oil and natural gas operations. In addition, we may inherit liability for environmental damages caused by previous owners of property we purchase or lease. As a result, we may incur substantial liabilities to third parties or governmental entities. The implementation of new, or the modification of existing, laws or regulations could have a material adverse effect on us.

The crude oil and natural gas reserves we report in our SEC filings are estimates and may prove to be inaccurate.

There are numerous uncertainties inherent in estimating crude oil and natural gas reserves and their estimated values. The reserves we report in our filings with the SEC now and in the future will only be estimates and such estimates may prove to be inaccurate because of these uncertainties. Reservoir engineering is a subjective and inexact process of estimating underground accumulations of crude oil and natural gas that cannot be measured in an exact manner. Estimates of economically recoverable crude oil and natural gas reserves depend upon a number of variable factors, such as historical production from the area compared with production from other producing areas and assumptions concerning effects of regulations by governmental agencies, future crude oil and natural gas prices, future operating costs, severance and excise taxes, development costs and work-over and remedial costs. Some or all of these assumptions may in fact vary considerably from actual results. For these reasons, estimates of the economically recoverable quantities of crude oil and natural gas attributable to any particular group of properties, classifications of such reserves based on risk of recovery, and estimates of the future net cash flows expected therefrom prepared by different engineers or by the same engineers but at different times may vary substantially. Accordingly, reserve estimates may be subject to downward or upward adjustment. Actual production, revenue and expenditures with respect to our reserves will likely vary from estimates, and such variances may be material.

Additionally, "probable" and "possible reserve estimates" are considered unproved reserves and as such, the SEC views such estimates to be inherently unreliable, may be misunderstood or seen as misleading to investors that are not "experts" in the oil or natural gas industry. Unless you have such expertise, you should not place undue reliance on these estimates. Except as required by applicable law, we undertake no duty to update this information and do not intend to update this information.

The calculated present value of future net revenues from our proved reserves will not necessarily be the same as the current market value of our estimated oil and natural gas reserves.

You should not assume that the present value of future net cash flows as included in our public filings is the current market value of our estimated proved oil and natural gas reserves. We generally base the estimated discounted future net cash flows from proved reserves on current costs held constant over time without escalation and on commodity prices using an unweighted arithmetic average of first-day-of-the-month index prices, appropriately adjusted, for the 12-month period immediately preceding the date of the estimate. Actual future prices and costs may be materially higher or lower than the prices and costs used for these estimates and will be affected by factors such as:

- actual prices we receive for oil and natural gas;
- actual cost and timing of development and production expenditures;
- the amount and timing of actual production; and
- changes in governmental regulations or taxation.

In addition, the 10% discount factor that is required to be used to calculate discounted future net revenues for reporting purposes under GAAP is not necessarily the most appropriate discount factor based on the cost of capital in effect from time to time and risks associated with our business and the oil and natural gas industry in general.

Crude oil and natural gas development, re-completion of wells from one reservoir to another reservoir, restoring wells to production and exploration, drilling and completing new wells are speculative activities and involve numerous risks and substantial and uncertain costs.

Our oil and gas operations will be materially dependent upon the success of our future development program. Even considering our business philosophy to avoid wildcat wells, drilling for crude oil and natural gas and reworking existing wells involves numerous risks, including the risk that no commercially productive crude oil or natural gas reservoirs will be encountered. The cost of exploration, drilling, completing and operating wells is substantial and uncertain, and drilling operations may be curtailed, delayed or cancelled as a result of a variety of factors beyond our control, including: unexpected drilling conditions; pressure or irregularities in formations; equipment failures or accidents; inability to obtain leases on economic terms, where applicable; adverse weather conditions and natural disasters; compliance with governmental requirements; and shortages or delays in the availability of drilling rigs or crews and the delivery of equipment. Furthermore, we cannot provide investors with any assurance that we will be able to obtain rights to additional producing properties in the future and/or that any properties we obtain rights to will contain commercially exploitable quantities of oil and/or gas.

Drilling or reworking is a highly speculative activity. Even when fully and correctly utilized, modern well completion techniques such as hydraulic fracturing and horizontal drilling do not guarantee that we will find crude oil and/or natural gas in our wells. Hydraulic fracturing involves pumping a fluid with or without particulates into a formation at high pressure, thereby creating fractures in the rock and leaving the particulates in the fractures to ensure that the fractures remain open, thereby potentially increasing the ability of the reservoir to produce oil or natural gas. Horizontal drilling involves drilling horizontally out from an existing vertical well bore, thereby potentially increasing the area and reach of the well bore that is in contact with the reservoir. Our future drilling activities may not be successful and, if unsuccessful, such failure would have an adverse effect on our future results of operations and financial condition. Our overall drilling success rate and/or our drilling success rate for activities within a particular geographic area may decline in the future. We may identify and develop prospects through a number of methods, some of which do not include lateral drilling or hydraulic fracturing, and some of which may be unproven. The drilling and results for these prospects may be particularly uncertain. Our drilling schedule may vary from our capital budget. The final determination with respect to the drilling of any scheduled or budgeted prospects will be dependent on a number of factors, including, but not limited to: the results of previous development efforts and the acquisition, review and analysis of data; the availability of sufficient capital resources to us and the other participants, if any, for the drilling of the prospects; the approval of the prospects by other participants, if any, after additional data has been compiled; economic and industry conditions at the time of drilling, including prevailing and anticipated prices for crude oil and natural gas and the availability of drilling rigs and crews; our financial resources and results; the availability of leases and permits on reasonable terms for the prospects; and the success of our drilling technology.

These projects may not be successfully developed and the wells discussed, if drilled, may not encounter reservoirs of commercially productive crude oil or natural gas. There are numerous uncertainties in estimating quantities of proved reserves, including many factors beyond our control. If we are unable to find commercially exploitable quantities of oil and natural gas in any properties we may acquire in the future, and/or we are unable to commercially extract such quantities we may find in any properties we may acquire in the future, the value of our securities may decline in value.

Unless we replace our oil and natural gas reserves, our reserves and production will decline, which would adversely affect our business, financial condition and results of operations.

The rate of production from our oil and natural gas properties will decline as our reserves are depleted. Our future oil and natural gas reserves and production and, therefore, our income and cash flow, are highly dependent on our success in (a) efficiently developing and exploiting our current reserves on properties owned by us or by other persons or entities and (b) economically finding or acquiring additional oil and natural gas properties. In the future, we may have difficulty acquiring new properties. During periods of low oil and/or natural gas prices, it will become more difficult to raise the capital necessary to finance expansion activities. If we are unable to replace our production, our reserves will decrease, and our business, financial condition and results of operations would be adversely affected.

The unavailability or high cost of drilling rigs, completion equipment and services, supplies and personnel, including hydraulic fracturing equipment and personnel, could adversely affect our ability to establish and execute exploration and development plans within budget and on a timely basis, which could have a material adverse effect on our business, financial condition and results of operations.

Shortages or the high cost of drilling rigs, completion equipment and services, supplies or personnel could delay or adversely affect our operations. When drilling activity in the United States increases, associated costs typically also increase, including those costs related to drilling rigs, equipment, supplies and personnel and the services and products of other vendors to the industry. These costs may increase, and necessary equipment and services may become unavailable to us at economical prices. Should this increase in costs occur, we may delay drilling activities, which may limit our ability to establish and replace reserves, or we may incur these higher costs, which may negatively affect our business, financial condition and results of operations.

The oil and gas industry is cyclical and, from time to time, there is a shortage of drilling rigs, equipment, supplies or qualified personnel. During these periods, the costs and delivery times of rigs, equipment and supplies tend to increase, in some cases substantially. In addition, the demand for, and wage rates of, qualified drilling rig crews rise as the number of active rigs in service increases within a geographic area. If increasing levels of exploration and production result in response to strong prices of oil and natural gas, the demand for oilfield services will likely rise, and the costs of these services will likely increase, while the quality of these services may suffer. The future lack of availability or high cost of drilling rigs, as well as any future lack of availability or high costs of other equipment, supplies, insurance or qualified personnel, in the areas in which we operate could materially and adversely affect our business and results of operations.

Federal and state legislation and regulatory initiatives relating to hydraulic fracturing could result in increased costs and additional operating restrictions or delays.

Hydraulic fracturing is a common practice that is used to stimulate production of hydrocarbons from tight formations. The process involves the injection of water, sand and chemicals under pressure into rock formations to fracture the surrounding rock and stimulate production. There has been increasing public controversy regarding hydraulic fracturing with regard to the transportation and use of fracturing fluids, impacts on drinking water supplies, use of waters, and the potential for impacts to surface water, groundwater, air quality and the environment generally. A number of lawsuits and enforcement actions have been initiated implicating hydraulic fracturing practices. Additional legislation or regulation could make it more difficult to perform hydraulic fracturing, cause operational delays, increase our operating costs or make it easier for third parties opposing the hydraulic fracturing process to initiate legal proceedings. New legislation or regulations in the future could have the effect of prohibiting the use of hydraulic fracturing, which would prevent us from completing our wells as planned and would have a material adverse effect on production from our wells. If these legislative and regulatory initiatives cause a material delay or decrease in our drilling or hydraulic fracturing activities, our business and profitability could be materially impacted.

Future acquired properties may not be worth what we pay due to uncertainties in evaluating recoverable reserves and other expected benefits, as well as potential liabilities.

Successful property acquisitions require an assessment of a number of factors beyond our control. These factors include estimates of recoverable reserves, exploration potential, future natural gas and oil prices, operating costs, production taxes and potential environmental and other liabilities. These assessments are complex and inherently imprecise. Our review of the properties we acquire may not reveal all existing or potential problems. In addition, our review may not allow us to fully assess the potential deficiencies of the properties. We do not inspect every well, and even when we inspect a well, we may not discover structural, subsurface, or environmental problems that may exist or arise. There may be threatened or contemplated claims against the assets or businesses we acquire related to environmental, title, regulatory, tax, contract, litigation or other matters of which we are unaware, which could materially and adversely affect our production, revenues and results of operations. We may not be entitled to contractual indemnification for pre-closing liabilities, including environmental liabilities, and our contractual indemnification may not be effective. At times, we acquire interests in properties on an "as is" basis with limited representations and warranties and limited remedies for breaches of such representations and warranties. In addition, significant acquisitions can change the nature of our operations and business if the acquired properties have substantially different operating and geological characteristics or are in different geographic locations than our existing properties.

Risks Relating To An Investment In Our Securities

If we are unable to maintain compliance with NYSE American continued listing standards, our common stock may be delisted from the NYSE American equities market, which would likely cause the liquidity and market price of our common stock to decline.

Our common stock is currently listed on the NYSE American. The NYSE American will consider suspending dealings in, or delisting, securities of an issuer that does not meet its continued listing standards. If we cannot meet the NYSE American continued listing requirements, the NYSE American may delist our common stock, which could have an adverse impact on us and the liquidity and market price of our stock.

On February 24, 2020, we received notice from the NYSE American (the "Exchange") that we were not in compliance with certain of the Exchange's continued listing standards as set forth in Part 10 of the NYSE American Company Guide (the "Company Guide"). Specifically, because we reported stockholders' equity of $3.1 million as of December 31, 2019 and net losses in three of our four most recent fiscal years then ended, we did not comply with Section 1003(a)(ii) of the Company Guide because we had stockholders' equity of less than $4,000,000 and reported losses from continuing operations and/or net losses in three of our four most recent fiscal years. In order to maintain our listing on the Exchange, the Exchange requested we submit a plan of compliance (the "Plan") by March 25, 2020 addressing how we intended to regain compliance with Section 1003(a)(ii) of the Company Guide by August 24, 2021, which plan was submitted and accepted. On May 8, 2020, the Company was notified by the NYSE that the NYSE Regulation accepted the Company's plan to regain compliance with the Exchange's continued listing standards set forth in Section 1003(a)(ii) of the NYSE American Company Guide (the "Company Guide") by August 24, 2021, subject to periodic review by the

NYSE for compliance with the initiatives set forth in the plan. If the Company is not in compliance with the continued listing standards by August 24, 2021, or if the Company does not make progress consistent with the plan during the plan period, the NYSE staff may initiate delisting proceedings as appropriate. We are continuing to make progress with our plan of compliance as previously submitted to the NYSE. During the plan period, we are able to continue our listing and will be subject to continued periodic review by the Exchange staff. If we do not make progress consistent with the Plan during the plan period, we will be subject to delisting procedures as set forth in the Company Guide. Pursuant to a letter dated January 21, 2021, the Exchange advised the Company is back in compliance with all of the Exchange's continued listing standards set forth in Company Guide. Specifically, the Company has resolved the continued listing deficiency with respect to Section 1003(a)(ii) of the Company Guide referenced in the Exchange's letter dated February 24, 2020. The Company is subject to NYSE Regulation's normal continued listing monitoring, and in accordance with Section 1009(h) of the Company Guide, if the Company is again determined to be below any of the continued listing standards within 12 months of the date of the January 21, 2021 letter, the Exchange will examine the relationship between the two incidents of noncompliance and re-evaluate the Company's method of financial recovery from the first incident. NYSE Regulation will then take the appropriate action, which, depending on the circumstances, may include truncating the compliance procedures described Section 1009 of the Company Guide or immediately initiating delisting proceedings.

On May 21, 2021, we received notice from the Exchange that the Company is not in compliance with the Exchange's continued listing standards as set forth in Section 1007 of the Company given the Company failed to timely file (the "Filing Delinquency") its Form 10-K for the 9-month transition period ended December 31, 2020 (the "Report"). We believe this delinquency will be cured via the filing of this Report.

The Company previously filed a Form 12b-25 with the Securities and Exchange Commission on May 6, 2021, to extend the due date for the Report. The Form 12b-25 disclosed that the Report was unable to be filed on time due to delays in assembling the financial information required to be reviewed by the Company's independent auditor, and in completing the accounting of certain transactions affecting the Company. Such further delay in filing the Report past the deadline set forth in the Form 12b-25 is due to issues that have arisen in connection with (i) finalizing the determination of the fair values of both assets and liabilities associated with the Company's acquisition of a controlling interest in Viking Energy Group, Inc. in December of 2020, and (ii) key personnel changes at the Company's independent auditing firm. The Company is taking steps to complete the required accounting and plans to file the Report as soon as practicable.

During the six-month period from the date of the Filing Delinquency (the "Initial Cure Period"), the Exchange will monitor the Company and the status of the Report and any subsequent delayed filings, including through contact with the Company, until the Filing Delinquency is cured. If the Company fails to cure the Filing Delinquency within the Initial Cure Period, the Exchange may, in the Exchange's sole discretion, allow the Company's securities to be traded for up to an additional six-month period (the "Additional Cure Period") depending on the Company's specific circumstances. If the Exchange determines an Additional Cure Period is not appropriate, suspension and delisting procedures will commence in accordance with the procedures set out in Section 1010 hereof. If the Exchange determines that an Additional Cure Period of up to six months is appropriate and the Company fails to file its Delinquent Report and any subsequent delayed filings by the end of that period, suspension and delisting procedures will generally commence.

If we are unable to retain compliance with the NYSE American criteria for continued listing, our common stock would be subject to delisting. A delisting of our common stock could negatively impact us by, among other things, reducing the liquidity and market price of our common stock and reducing the number of investors willing to hold or acquire our common stock, which could negatively impact our ability to raise equity financing. In addition, delisting from the NYSE American might negatively impact our reputation and, as a consequence, our business. Additionally, if we were delisted from the NYSE American and we are not able to list our common stock on another national exchange we will no longer be eligible to use Form S-3 registration statements (we are currently not eligible to use Form S-3 until potentially in mid-2023 due to late filings) and will instead be required to file a Form S-1 registration statement for any primary or secondary offerings of our common stock, which would delay our ability to raise funds in the future, may limit the type of offerings of common stock we could undertake, and would increase the expenses of any offering, as, among other things, registration statements on Form S-1 are subject to SEC review and comments whereas take downs pursuant to a previously filed Form S-3 are not.

If we are delisted from the NYSE American, your ability to sell your shares of our common stock would also be limited by the penny stock restrictions, which could further limit the marketability of your shares.

If our common stock is delisted from the NYSE American, it would come within the definition of "penny stock" as defined in the Exchange Act and would be covered by Rule 15g-9 of the Exchange Act. That Rule imposes additional sales practice requirements on broker-dealers who sell securities to persons other than established customers and accredited investors. For transactions covered by Rule 15g-9, the broker-dealer must make a special suitability determination for the purchaser and receive the purchaser's written agreement to the transaction prior to the sale. Consequently, Rule 15g-9, if it were to become applicable, would affect the ability or willingness of broker-dealers to sell our securities, and accordingly would affect the ability of stockholders to sell their securities in the public market. These additional procedures could also limit our ability to raise additional capital in the future.

We do not intend to pay cash dividends to our stockholders.

We currently anticipate that we will retain all future earnings, if any, to finance the growth and development of our business. We do not intend to pay cash dividends in the foreseeable future. Any payment of cash dividends will depend upon our financial condition, capital requirements, earnings and other factors deemed relevant by our Board of Directors. As a result, only appreciation of the price of our common stock, which may not occur, will provide a return to our stockholders.

We currently have a volatile market for our common stock, and the market for our common stock is and may remain volatile in the future.

We currently have a highly volatile market for our common stock, which market is anticipated to remain volatile in the future. Factors that could affect our stock price or result in fluctuations in the market price or trading volume of our common stock include:

- our actual or anticipated operating and financial performance and drilling locations, including reserve estimates;
- quarterly variations in the rate of growth of our financial indicators, such as net income/loss per share, net income/loss and cash flows, or those of companies that are perceived to be similar to us;
- changes in revenue, cash flows or earnings estimates or publication of reports by equity research analysts;
- speculation in the press or investment community;
- public reaction to our press releases, announcements and filings with the SEC;
- sales of our common stock by us or other stockholders, or the perception that such sales may occur;
- the amount of our freely tradable common stock available in the public marketplace;
- general financial market conditions and oil and natural gas industry market conditions, including fluctuations in commodity prices;
- the realization of any of the risk factors that we are subject to;
- the recruitment or departure of key personnel;
- commencement of, or involvement in, litigation;
- the prices of oil and natural gas;
- the success of our exploration and development operations, and the marketing of any oil and natural gas we produce;
- changes in market valuations of companies similar to the Company; and

- domestic and international economic, public health, legal and regulatory factors unrelated to our performance.

Our common stock is listed on the NYSE American under the symbol "CEI." Our stock price may be impacted by factors that are unrelated or disproportionate to our operating performance. The stock markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies.

These broad market fluctuations may adversely affect the trading price of our common stock. Additionally, general economic, political, public health and market conditions, such as recessions, interest rates or international currency fluctuations, or global virus outbreaks may adversely affect the market price of our common stock. You should exercise caution before making an investment in us.

A prolonged decline in the market price of our common stock could affect our ability to obtain additional financing which would adversely affect our operations.

Historically, we have relied on equity and debt financing as primary sources of financing. A prolonged decline in the market price of our common stock or a reduction in our accessibility to the global markets may result in our inability to secure additional financing which would have an adverse effect on our operations.

Nevada law and our Articles of Incorporation authorize us to issue shares of stock which shares may cause substantial dilution to our existing stockholders.

We have authorized capital stock consisting of 1,000,000,000 shares of common stock, $0.001 par value per share and 10,000,000 shares of preferred stock, $0.001 par value per share. As of May 16, 2022 , we had (i) 414,290,116 shares of common stock outstanding and (ii) 5,200 designated shares of Series C Preferred Stock, 1,605 of which were outstanding (iii) 25,000 authorized shares of Series G Preferred Stock of which 7,908 were outstanding (each as described in greater detail below under "Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities - Description of Capital Stock "). As a result, our Board of Directors has the ability to issue a large number of additional shares of common stock without stockholder approval, subject to the requirements of the NYSE American (which generally require stockholder approval for any transactions which would result in the issuance of more than 20% of our then outstanding shares of common stock or voting rights representing over 20% of our then outstanding shares of stock), which if issued could cause substantial dilution to our then stockholders. Shares of additional preferred stock may also be issued by our Board of Directors without stockholder approval, with voting powers and such preferences and relative, participating, optional or other special rights and powers as determined by our Board of Directors, which may be greater than the shares of common stock currently outstanding. As a result, shares of preferred stock may be issued by our Board of Directors which cause the holders to have majority voting power over our shares, provide the holders of the preferred stock the right to convert the shares of preferred stock they hold into shares of our common stock, which may cause substantial dilution to our then common stock stockholders and/or have other rights and preferences greater than those of our common stock stockholders. Investors should keep in mind that the Board of Directors has the authority to issue additional shares of common stock and preferred stock, which could cause substantial dilution to our existing stockholders. Additionally, the dilutive effect of any preferred stock which we may issue may be exacerbated given the fact that such preferred stock may have super voting rights and/or other rights or preferences which could provide the preferred stockholders with substantial voting control over us subsequent to the date of this filing and/or give those holders the power to prevent or cause a change in control. As a result, the issuance of shares of common stock and/or Preferred Stock may cause the value of our securities to decrease and/or become worthless.

Stockholders may be diluted significantly through our efforts to obtain financing and/or satisfy obligations through the issuance of additional shares of our common stock.

Wherever possible, our Board of Directors will attempt to use non-cash consideration to satisfy obligations. In many instances, we believe that the non-cash consideration will consist of shares of our common stock. Subject to certain consent rights of the holder of our Series C Preferred Stock, our Board of Directors has authority, without action or vote of the stockholders, to issue all or part of the authorized but unissued shares of common stock (subject to NYSE American rules which limit among other things, the number of shares we can issue without stockholder approval to no more than 20% of our outstanding shares of common stock, subject to certain exceptions). These actions will result in dilution of the ownership interests of existing stockholders, and that dilution may be material.

If persons engage in short sales of our common stock, including sales of shares to be issued upon exercise of our outstanding warrants, convertible debentures and preferred stock, the price of our common stock may decline.

Selling short is a technique used by a stockholder to take advantage of an anticipated decline in the price of a security. In addition, holders of options, warrants and other convertible securities will sometimes sell short knowing they can, in effect, cover through the exercise or conversion of options, warrants and other convertible securities, thus locking in a profit. A significant number of short sales or a large volume of other sales within a relatively short period of time can create downward pressure on the market price of a security. Further sales of common stock issued upon exercise or conversion of options, warrants and other convertible securities could cause even greater declines in the price of our common stock due to the number of additional shares available in the market upon such exercise/conversion, which could encourage short sales that could further undermine the value of our common stock. You could, therefore, experience a decline in the value of your investment as a result of short sales of our common stock.

The market price for our common stock may be volatile, and our stockholders may not be able to sell our stock at a favorable price or at all.

Many factors could cause the market price of our common stock to rise and fall, including: actual or anticipated variations in our quarterly results of operations; changes in market valuations of companies in our industry; changes in expectations of future financial performance; fluctuations in stock market prices and volumes; issuances of dilutive common stock or other securities in the future; the addition or departure of key personnel; announcements by us or our competitors of acquisitions, investments or strategic alliances; and the increase or decline in the price of oil and natural gas.

Substantial sales of our common stock, or the perception that such sales might occur, could depress the market price of our common stock.

We cannot predict whether future issuances of our common stock or resales in the open market will decrease the market price of our common stock. The impact of any such issuances or resales of our common stock on our market price may be increased as a result of the fact that our common stock is thinly, or infrequently, traded. The exercise of any options that we have or that we may grant to directors, executive officers and other employees in the future, the issuance of common stock in connection with acquisitions and other issuances of our common stock (including shares previously registered in our registration statements and prospectus supplements, and/or in connection with future registration statements or prospectus supplements) could have an adverse effect on the market price of our common stock. In addition, future issuances of our common stock may be dilutive to existing stockholders. Any sales of substantial amounts of our common stock in the public market, or the perception that such sales might occur, could lower the market price of our common stock.

We incur significant costs as a result of operating as a fully reporting publicly traded company and our management is required to devote substantial time to compliance initiatives.

We incur significant legal, accounting and other expenses in connection with our status as a fully reporting public company. Specifically, we are required to prepare and file annual, quarterly and current reports, proxy statements and other information with the SEC. Additionally, our officers, directors and significant stockholders are required to file Forms 3, 4 and 5 and Schedules 13D/G with the SEC disclosing their ownership of the Company and changes in such ownership. Furthermore, the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") and rules subsequently implemented by the SEC have imposed various new requirements on public companies, including requiring changes in corporate governance practices. In addition, the Sarbanes-Oxley Act requires, among other things, that we maintain effective internal controls for financial reporting and disclosure of controls and procedures. The costs and expenses of compliance with SEC rules and our filing obligations with the SEC, or our identification of deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses, could materially adversely affect our results of operations or cause the market price of our stock to decline in value.

Securities analyst coverage or lack of coverage may have a negative impact on our common stock's market price.

The trading market for our common stock will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. If securities or industry analysts stop their coverage of us or additional securities and industry analysts fail to cover us in the future, the trading price for our common stock would be negatively impacted. If any analyst or analysts who cover us downgrade our common stock, changes their opinion of our shares or publishes inaccurate or unfavorable research about our business, our stock price would likely decline. If any analyst or analysts cease coverage of us or fail to publish reports on us regularly, demand for our common stock could decrease and we could lose visibility in the financial markets, which could cause our stock price and trading volume to decline.

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Due to the fact that our common stock is listed on the NYSE American, we are subject to financial and other reporting and corporate governance requirements which increase our cost and expenses.

We are currently required to file annual and quarterly information and other reports with the SEC that are specified in Sections 13 and 15(d) of the Exchange Act. Additionally, due to the fact that our common stock is listed on the NYSE American, we are also subject to the requirements to maintain independent directors, comply with other corporate governance requirements and are required to pay annual listing and stock issuance fees. These obligations require a commitment of additional resources including, but not limited, to additional expenses, and may result in the diversion of our senior management's time and attention from our day-to-day operations. These obligations increase our expenses and may make it more complicated or time consuming for us to undertake certain corporate actions due to the fact that we may require the approval of the NYSE American for such transactions and/or NYSE American rules may require us to obtain stockholder approval for such transactions.

You may experience future dilution as a result of future equity offerings or other equity issuances.

We may in the future issue additional shares of our common stock or other securities convertible into or exchangeable for our common stock.

Risks Relating to Our Series C Preferred Stock

The full amount of premiums, interest and dividends through the maturity date of our Series C Preferred Stock is due upon the repayment/redemption or conversion, as applicable, of the Series C Preferred Stock.

The Series C Preferred Stock provides that all applicable dividends, which initially accrued in the amount of 24.95% per annum and which increase or decrease subject to the terms of the Series C Preferred Stock, based on among other things, the trading price of the Company's common stock, up to a maximum of 34.95% per annum, are due upon conversion or repayment/redemption (where applicable) thereof, for the full seven-year term of such securities.

The requirement that we pay all premiums and dividends through maturity and the adjustable nature of such premium and dividend rates, may force us to issue the holders significant additional shares of common stock, which may cause significant dilution to existing stockholders. Pursuant to the Third Amended and Restated Certificate of Designation, the Company has the option to redeem any or all shares of Series C Preferred Stock by paying Holder, in registered or unregistered shares of Common Stock valued at an amount per share equal to 100% of the Liquidation Value for the shares redeemed, and the Corporation will use its best efforts to register such shares.

The number of shares of common stock issuable in consideration for premiums, interest and dividends through maturity on the Series C Preferred Stock continue to be adjustable after the conversion of such securities.

Pursuant to the terms of the Series C Preferred Stock, the conversion rate of such securities in connection with the premiums and dividends due on such securities through maturity (7 years, regardless of when converted), continues to be adjustable after the issuance of such securities. Specifically, such securities remain adjustable, based on a discount to the lowest daily volume weighted average price during a measuring period for a period of 30 or 60 days (depending on whether or not a Triggering Event has occurred, and potentially longer if certain equity conditions are not satisfied) after the applicable number of shares stated in the initial conversion notice have actually been received into the holder's designated brokerage account in electronic form and fully cleared for trading (subject to certain extensions described in the applicable securities). Because the holders of the Series C Preferred Stock are limited to holding not more than 9.99% of the Company's common stock upon exercise/conversion of any security, they may not receive all of the shares due upon any conversion, until it has sold shares and been issued additional shares and as such, the beginning date for the applicable 30 or 60 day period after conversion is impossible to determine and may be a significant additional number of days after the initial conversion.

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In the event of a decrease in the Company's stock price during the applicable measuring periods, the conversion rate of the premiums and dividends due on such applicable securities will adjust downward and holders of Series C Preferred Stock would be due additional shares of common stock for their conversions, which issuances may cause further significant dilution to existing stockholders and the sale of such shares may cause the value of the Company's common stock to decline in value. Furthermore, it is likely that the sale by holders of the shares of common stock received in connection with any conversion, during the applicable measuring period, will cause the value of the Company's common stock to decline in value and the conversion rate to decrease and will result in holder being due additional shares of common stock during the measuring period, which will trigger additional decreases in the value of the Company's common stock upon further public sales. If this were to occur, holder would be entitled to receive an increasing number of shares, upon conversion of the remaining securities, which could then be sold, triggering further price declines and conversions for even larger numbers of shares, which would cause additional dilution to our existing stockholders and would likely cause the value of our common stock to decline.

The issuance of common stock upon conversion of the Series C Preferred Stock will cause immediate and substantial dilution and the sale of such stock will cause significant downward pressure on our stock price.

The issuance of common stock upon conversion of the Series C Preferred Stock will result in immediate and substantial dilution to the interests of other stockholders. Although holders may not receive shares of common stock exceeding 9.99% of our outstanding shares of common stock immediately after affecting such conversion, this restriction does not prevent holders from receiving shares up to the 9.99% limit, selling those shares, and then receiving the rest of the shares it is due, in one or more tranches, while still staying below the 9.99% limit. If holders choose to do this, it will cause substantial dilution to the then holders of our common stock. Additionally, the continued sale of shares issuable upon successive conversions will likely create significant downward pressure on the price of our common stock as holders sells material amounts of our common stock over time and/or in a short period of time. This could place further downward pressure on the price of our common stock and in turn result in holders receiving an ever-increasing number of additional shares of common stock upon conversion of its securities, and adjustments thereof, which in turn will likely lead to further dilution, reductions in the exercise/conversion price of holders securities and even more downward pressure on our common stock, which could lead to our common stock becoming devalued or worthless.

Holders of Series C Preferred Stock Hold a Liquidation Preference in the Company.

Upon any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, after payment or provision for payment of debts and other liabilities of the Company, prior to any distribution or payment made to the holders of Preferred Stock or Common Stock by reason of their ownership thereof, the Holders of Series C Preferred Stock will be entitled to be paid out of the assets of the Company available for distribution to its stockholders an amount with respect to each share of Series C Preferred Stock equal to $10,000.00, plus an amount equal to any accrued but unpaid Dividends thereon. Because the dividends currently require that interest be paid on the Face Value of between 24.95% and 34.95% per annum, for the entire seven-year term of the Series C Preferred Stock (even if payable sooner than seven years after the issuance date), the total liquidation value required to be paid to Discover upon a liquidation, dissolution or winding up of the Company is approximately $133.9 million. Because our net assets total less than $133.9 million, it is likely that our common stockholders would not receive any amount in the event the Company was liquidated, dissolved or wound up, and the Series C Preferred shareholders would instead receive the entire amount of available funds after liquidation.

If the Company determines to liquidate, dissolve or wind-up its business and affairs, or upon closing or occurrence of any Deemed Liquidation Event, the Company will to the extent allowed under applicable law, but thereafter, prior to or concurrently with the closing, effectuation or occurrence any such action, redeem the Series C Preferred Stock for cash, by wire transfer of immediately available funds to an account designated by Holder, at the Early Redemption Price (defined below) if the event is prior to the Dividend Maturity Date, or at the Liquidation Value if the event is on or after the Dividend Maturity Date. Notwithstanding any other provision, the Company will not be required to redeem any shares of Series C Preferred Stock for cash solely because the Company does not have sufficient authorized but unissued shares of Common Stock to issue upon receipt of a Delivery Notice, upon a maturity conversion, or for any other reason that is not solely within the control of the Company.

A "*Deemed Liquidation Event*" means: (a) a merger or consolidation in which the Company is a constituent party or a subsidiary of the Company is a constituent party and the Company issues shares of its capital stock pursuant to such merger or consolidation, except (i) any such merger or consolidation involving the Company or a subsidiary in which the Company is the surviving or resulting Company, (ii) any merger effected exclusively to change the domicile of the Company, (iii) any transaction or series of transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction continue to retain more than 50% of the total voting power of such surviving entity, or (iv) the merger with Viking; (b) Company issues convertible or equity securities that are senior to the Series C Preferred Stock in any respect, other than the securities issued in the Merger; (c) Holder does not receive the number of Conversion Shares stated in a Delivery Notice with 5 Trading Days of the notice due to the occurrence of an event that is solely within the control of the Company and excluding any event that is not solely within the control of the Company; (d) trading of the Common Stock is halted or suspended by the Trading Market or any U.S. governmental agency for 10 or more consecutive trading days, due to the occurrence of an event that is solely within the control of the Company and excluding any event that is not solely within the control of the Company; or (e) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Company or any subsidiary of the Company of all or substantially all the assets of the Company and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Company if substantially all of the assets of the Company and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where one or more Holders initiate consideration of and vote upon a proposal for such sale, lease, transfer, exclusive license or other disposition, or it is to a wholly owned subsidiary of the Company, other than the Merger and except otherwise agreed to by holders holding a majority of the then outstanding Series C Preferred Stock.

The "*Early Redemption Price*" is the sum of the following: (a) 100% of the Face Value, plus (b) the Conversion Premium, minus (c) any Dividends that have been paid, for each share of Series C Preferred Stock redeemed.

The "*Conversion Premium*" for each share of Series C Preferred Stock means the Face Value, multiplied by the product of (i) the applicable Dividend Rate, and (ii) the number of whole years between the Issuance Date and the Dividend Maturity Date.

The "*Dividend Maturity Date*" means the date that is 7 years after the Issuance Date.

Holders of our Series C Preferred Stock, effectively have the ability to consent to any material transaction involving the Company.

Due to the restrictions placed on the Company as a result of the Series C Preferred Stock, including, but not limited to the significant liquidation preference discussed above and the fact that, as long as there are any issued and outstanding shares of Series C Preferred Stock, we agreed that we would not issue or enter into or amend an agreement pursuant to which we may issue any shares of common stock, other than (a) for restricted securities with no registration rights, (b) in connection with a strategic acquisition, (c) in an underwritten public offering, or (d) at a fixed price; or issue or amend any debt or equity securities convertible into, exchangeable or exercisable for, or including the right to receive, shares of common stock (i) at a conversion price, exercise price or exchange rate or other price that is based upon or varies with, the trading prices of or quotations for the shares of common stock at any time after the initial issuance of the security or (ii) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of the security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the common stock. Holder has to effectively consent to any material transaction involving the Company. In the event holders do not consent to any such transaction, we may be prohibited (either effectively or otherwise) from completing a material transaction in the future, including, but not limited to a combination or acquisition which may be accretive to stockholders. Furthermore, holders may condition the approval of a future transaction, which conditions may not be favorable to stockholders.

Some of our Series C Preferred Stockholders have rights of first refusal to provide further funding and favored nation rights.

We have granted the Investor a right of first offer to match any offer for financing we receive from any person while the shares of Series C Preferred Stock sold pursuant to the June 2020 Purchase Agreement are outstanding, except for debt financings not convertible into common stock, which are excluded from such right to match. Such right of first refusal may delay or prevent us from raising funding in the future.

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We have also agreed with some of Series C Preferred Stock holders that if we issue any security with any term more favorable to the holder of such security or with a term in favor of the holder of such security that was not similarly provided to the Series C Preferred Stock holder, then we would notify Series C Preferred Stock holder of such additional or more favorable term and such term, at the holder's option, may become a part of the transaction documents with the holder, including the Series C Preferred Stock and the agreements relating to the sale thereof. Such favored nations provisions may make it more costly to complete transactions in the future, may prevent future transactions from occurring and/or may provide the holders additional rights than they currently have, all of which may cause significant dilution to existing stockholders, and/or cause the value of our common stock to decline in value.

The holders of our Series C Preferred Stock, subject to applicable contractual restrictions, and/or a third party, may sell short our common stock, which could have a depressive effect on the price of our common stock.

The holders of our Series C Preferred Stock are currently prohibited from selling the Company's stock short; however, in the event a trigger event occurs under the Series C Preferred Stock such restriction is waived. Additionally, nothing prohibits a third party from selling the Company's common stock short based on their belief that due to the dilution caused by the conversions of our Series C Preferred Stock, that the trading price of our common stock will decline in value. The significant downward pressure on the price of our common stock as any of our Series C Preferred Stockholders sell material amounts of our common stock could encourage investors to short sell our common stock. This could place further downward pressure on the price of our common stock and in turn result in our Series C Preferred Stock holders receiving additional shares of common stock upon exercise/conversion of its securities, and adjustments thereof.

The Company's CEO, James Doris, holds Viking preferred stock which, upon termination from Camber could afford him enough shareholder votes to control Viking, and dilute Camber's ownership interest below 51%.

The Company's CEO and director, James Doris, holds 28,092 shares of Viking's Series C Preferred Stock, with each share of Viking preferred stock entitling the holder to convert such share of Viking preferred stock into 28,092 shares of Viking common stock, and entitling the holder to 37,500 votes on all matters submitted to a vote of the stockholders of the Corporation on the later of: (i) July 1, 2022; or (ii) the date on which Camber Energy, Inc. ("Camber") no longer owns or is entitled to own at least 51% of the outstanding shares of the Corporation's Common Stock. By virtue of such preferred stock ownership, and the possibility of Camber owning less than 51% of the outstanding shares of common stock of the Company after July 1, 2022, Mr. Doris could control the election of the members of the Company's Board of Directors and generally exercise control over the affairs of Viking. Pursuant to the December 23 Purchase Agreement, whereby the Company acquired 51% of Viking, Viking is generally obligated (subject to certain limitations) to issue additional shares of Viking common stock to Camber to ensure that Camber shall own at least 51% of the common stock of Viking through July 1, 2022, which effectively prohibits Mr. Doris from obtaining control over the affairs of Viking at least until July 1, 2022. There can be no assurance that after July 1, 2022, conflicts of interest will not arise with respect to Mr. Doris's ownership of the preferred stock, or that such conflicts will be resolved in a manner favorable to the Company.

Item 2. Properties

Effective December 23, 2020, the Company relocated its offices to 15915 Katy Freeway, Suite 450, Houston, Texas 77094, the current registered office of Viking, consolidating all administrative functions in one location. The Company terminated its month-to-month lease at 1415 Louisiana, Suite 3500, Houston, Texas, 77002.

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Oil and Natural Gas Properties

Current Operations and Business Information - Camber

As of December 31, 2021, the Company had leasehold interests (working interests) in properties producing from the Cline and Wolfberry formations, which were producing an average of approximately 43.7 net barrels of oil equivalent per day ("BOEPD") from 18 active well bores. The ratio between the gross and net production varies due to varied working interests and net revenue interests in each well. Our production sales totaled 7,994 BOE, net to our interest, for the year ended December 31, 2021. At December 31, 2021, Camber's total estimated proved producing reserves were approximately 73,800 BOE, of which 48,400 Bbls were crude oil and NGL reserves and 152,400 Mcf were natural gas reserves.

The following tables set forth summary information with respect to Camber's proved reserves as of December 31, 2021.

Reserves Category	Crude Oil (BBLs)	NGL (BBLs)	Natural Gas (MCF)	Total Proved (BOE) (1)
Proved Reserves				
Developed	48,400	-	152,400	73,800
Developed Non-Producing	-	-	-	-

Undeveloped	-	-	-	-
Total Proved Reserves	48,400	-	152,400	73,800

Estimated Future Net Cash Flows	$ 2,251,600
10% annual discount for estimated timing of cash flows	(993,600)
Standardized Measure of Discounted Future Net Cash Flows - (PV10) (2)	$ 1,258,000

(1) - BOE (barrels of oil equivalent) is calculated by a ratio of 6 MCF to 1 BBL of Oil
(2) - PV-10 represents the discounted future net cash flows attributable to our proved oil and natural gas reserves discounted at 10%. PV-10 of our total year-end proved reserves is considered a non-US GAAP financial measure as defined by the SEC. We believe that the presentation of the PV-10 is relevant and useful to our investors because it presents the discounted future net cash flows attributable to our proved reserves. We further believe investors and creditors use our PV-10 as a basis for comparison of the relative size and value of our reserves to other companies.

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The following table presents certain information with respect to oil and natural gas production attributable to our interests in all of our properties in the United States, the revenue derived from the sale of such production, average sales prices received and average production costs during the year ended December 31, 2021 and the nine months ended December 31, 2020.

	Unit of Measure	**December 31, 2021**	**December 31, 2020**
Production			
Oil	Barrels	4,242	3,319
Natural Gas	Mcf	13,067	11,093
NGL	Gallons	131,048	118,697
BOE		9,449	7,994
Sales			
Oil	Barrels	$ 273,234	$ 109,570
Natural Gas	Mcf	40,186	13,910
NGL	Gallons	87,802	27,333
		$ 401,222	$ 150,813
Average Sales Prices			
Oil	Barrels	$ 64.41	$ 33.01
Natural Gas	Mcf	$ 3.08	$ 1.25
NGL	Gallons	$ .67	$ .23
Production - Lease operating expenses		$ 134,684	$ 131,937
Average Cost of Production per BOE		$ 14.25	$ 16.51

Drilling and other exploratory and development activities

During the year ended December 31, 2021 and the nine months ended December 31, 2020, the Company had no gross or net wells that were in the process of being drilled, nor did we have any drilling plans or delivery commitments.

ITEM 3. LEGAL PROCEEDINGS

Camber is periodically named in legal actions arising from normal business activities. Camber evaluates the merits of these actions and, if it determines that an unfavorable outcome is probable and can be reasonably estimated, Camber will establish the necessary reserves. We are not currently involved in legal proceedings that could reasonably be expected to have a material adverse effect on our business, prospects, financial condition or results of operations. We may become involved in material legal proceedings in the future.

Maranatha Oil Matter

In November 2015, Randy L. Robinson, d/b/a Maranatha Oil Co. sued the Company in Gonzales County, Texas (Cause No. 26160). The plaintiff alleged that it assigned oil and gas leases to the Company in April 2010, retaining a 4% overriding royalty interest and 50% working interest and that the Company failed to pay such overriding royalty interest or royalty interest. The interests relate to certain oil and gas properties which the Company subsequently sold to Nordic Oil USA in April 2013. The petition alleges causes of actions for breach of contract, failure to pay royalties, non-payment of working interest, fraud, fraud in the inducement of contract, money had and received, constructive trust, violation of theft liability act, continuing tort and fraudulent concealment. The suit seeks approximately $100,000 in amounts alleged owed, plus pre-and post-judgment interest. The Company has filed a denial to the claims and intends to vehemently defend itself against the allegations.

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Apache Corporation

In December 2018, Apache Corporation ("Apache") sued Camber, Sezar Energy, L.P., and Texokcan Energy Management Inc., in the 129th Judicial District Court of Harris County, Texas (Cause 2018-89515). Apache alleged causes of action for Breach of Contract, Money Had & Received and Conversion, relating to amounts Apache alleged it was owed under a joint operating agreement. Apache is seeking $656,908 in actual damages, exemplary damages, pre- and post-judgment interest, court costs, and other amounts to which it may be entitled. Camber filed a general denial to the claims and asserted the affirmative defense of failure to mitigate. On July 13, 2020, Apache filed a Second Amended Petition against Camber, Sezar, Texokcan, N&B Energy, LLC, and Richard N. Azar, II alleging Breach of Contract, Defaults under a Joint Operating Agreement, Money Had & Received and Conversion, relating to amounts Apache allegedly overpaid Sezar and Azar and Unjust Enrichment. On October 26, 2020, the Company entered into an agreement with Apache to obtain a release of all liability (both parties provided mutual releases) for $20,000, which was paid in October 2020, and the litigation against the Company was dismissed.

N&B Energy

On September 12, 2019, N&B Energy filed a petition in the District Court for the 285th Judicial District of Bexar County, Texas (Case #2019CI11816). Pursuant to the petition, N&B Energy raises claims against the Company for breach of contract, unjust enrichment, money had and received and disgorgement, in connection with $706,000 which it alleges it is owed under the July 2018 Asset Purchase Agreement between the Company and N&B Energy (the "Sale Agreement"), for true-ups and post-closing adjustments associated therewith. The petition sought amounts owed, pre- and post-judgment interest, and attorney's fees. On October 21, 2020, the arbitrator issued an Interim Stage II Order granting an award that acknowledged the claims of both parties that resulted in an arbitration award in favor of N&B Energy of approximately $52,000, which was paid in December 2020.

Litigation Following Short Report

The Company was the target of a "short" report issued by Kerrisdale Capital in early October, 2021, and as a result of such short report there was an action commenced against the Company, James Doris and Frank Barker by or on behalf of certain shareholders of Camber in connection with losses alleged to have been suffered by the shareholders. The Company and Messrs. Doris and Barker have retained the firm of Baker Botts LLP to defend the action, and deny the allegations contained in the claim.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Market Information

Our common stock is quoted on the NYSE American under the symbol "CEI".

Holders

As of May 6, 2022, there were approximately 16,900 record holders of our common stock, not including holders who hold their shares in street name.

Description of Capital Stock

The total number of shares of all classes of stock that we have authority to issue is 1,010,000,000, consisting of 1,000,000,000 shares of common stock, par value $0.001 per share, and 10,000,000 shares of preferred stock, par value $0.001 per share. As of May 16, 2022, we had (i) 414,290,116 shares of common stock outstanding, (ii) 5,200 designated shares of Series C Preferred Stock, 1,605 of which were outstanding and (iii) 25,000 designated shares of Series G Preferred Stock, 7,908 of which were outstanding.

Common Stock

Holders of our common stock: (i) are entitled to share ratably in all of our assets available for distribution upon liquidation, dissolution or winding up of our affairs; (ii) do not have preemptive, subscription or conversion rights, nor are there any redemption or sinking fund provisions applicable thereto; and (iii) are entitled to one vote per share on all matters on which stockholders may vote at all stockholder meetings. Each stockholder is entitled to receive the dividends as may be declared by our directors out of funds legally available for dividends. Our directors are not obligated to declare a dividend. Any future dividends will be subject to the discretion of our directors and will depend upon, among other things, future earnings, the operating and financial condition of our Company, our capital requirements, general business conditions and other pertinent factors.

The presence of the persons entitled to vote 33% of the outstanding voting shares on a matter before the stockholders shall constitute the quorum necessary for the consideration of the matter at a stockholders meeting.

The vote of the holders of a majority of the votes cast on the matter at a meeting at which a quorum is present shall constitute an act of the stockholders, except for the election of directors, who shall be appointed by a plurality of the shares entitled to vote at a meeting at which a quorum is present. The common stock does not have cumulative voting rights, which means that the holders of a majority of the common stock voting for election of directors can elect 100% of our directors if they choose to do so.

Preferred Stock

Subject to the terms contained in any designation of a series of preferred stock, the Board of Directors is expressly authorized, at any time and from time to time, to fix, by resolution or resolutions, the following provisions for shares of any class or classes of preferred stock:

1) The designation of such class or series, the number of shares to constitute such class or series which may be increased (but not below the number of shares of that class or series then outstanding) by a resolution of the Board of Directors;

2) Whether the shares of such class or series shall have voting rights, in addition to any voting rights provided by law, and if so, the terms of such voting rights;

3) The dividends, if any, payable on such class or series, whether any such dividends shall be cumulative, and, if so, from what dates, the conditions and dates upon which such dividends shall be payable, and the preference or relation which such dividends shall bear to the dividends payable on any share of stock of any other class or any other shares of the same class;

4) Whether the shares of such class or series shall be subject to redemption by the Company, and, if so, the times, prices and other conditions of such redemption or a formula to determine the times, prices and such other conditions;

5) The amount or amounts payable upon shares of such series upon, and the rights of the holders of such class or series in, the voluntary or involuntary liquidation, dissolution or winding up, or upon any distribution of the assets, of the Company;

6) Whether the shares of such class or series shall be subject to the operation of a retirement or sinking fund, and, if so, the extent to and manner in which any such retirement or sinking fund shall be applied to the purchase or redemption of the shares of such class or series for retirement or other corporate purposes and the terms and provisions relative to the operation thereof;

7) Whether the shares of such class or series shall be convertible into, or exchangeable for, shares of stock of any other class or any other series of the same class or any other securities and, if so, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same, and any other terms and conditions of conversion or exchanges;

8) The limitations and restrictions, if any, to be effective while any shares of such class or series are outstanding upon the payment of dividends or the making of other distributions on, and upon the purchase, redemption or other acquisition by the Company of the common stock or shares of stock of any other class or any other series of the same class;

9) The conditions or restrictions, if any, upon the creation of indebtedness of the Company or upon the issuance of any additional stock, including additional shares of such class or series or of any other series of the same class or of any other class;

10) The ranking (be it pari passu, junior or senior) of each class or series vis-à-vis any other class or series of any class of preferred stock as to the payment of dividends, the distribution of assets and all other matters;

11) Facts or events to be ascertained outside the articles of incorporation of the Company, or the resolution establishing the class or series of stock, upon which any rate, condition or time for payment of distributions on any class or series of stock is dependent and the manner by which the fact or event operates upon the rate, condition or time of payment; and

12) Any other powers, preferences and relative, participating, optional and other special rights, and any qualifications, limitations and restrictions thereof, insofar as they are not inconsistent with the provisions of our articles of incorporation, as amended, to the full extent permitted by the laws of the State of Nevada.

The powers, preferences and relative, participating, optional and other special rights of each class or series of preferred stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

Series A Convertible Preferred Stock

On August 31, 2020, the Board of Directors approved the designation of 28,092 shares of Series A Convertible Preferred Stock (the "Series A Preferred Stock"), which were designated with the Secretary of State of Nevada on August 31, 2020 (the "Series A Designation") to have substantially similar rights as the Series C Preferred Stock of Viking (as amended), as adjusted for the exchange ratio set out in the merger agreement at that time, which was subsequently terminated as noted below.

On December 23, 2020, the Company entered into (i) a termination agreement with Viking terminating the Amended and Restated Agreement and Plan of Merger, dated August 31, 2020, as amended to date.

On February 15, 2021, the Company entered into a new Agreement and Plan of Merger with Viking. Pursuant to the terms of the Agreement and Plan of Merger with Viking, upon closing of the Merger, each one (1) share of Viking Series C Preferred Stock ("

Viking Preferred Stock") issued and outstanding immediately prior to the Effective Time, shall be converted into the right to receive one (1) share of the to be designated Series A Convertible Preferred Stock of Camber (the "New Camber Preferred").

Each share of Camber Series A Preferred Stock will be convertible into 890 shares of common stock of Camber subject to a 9.99% beneficial ownership limitation, will be treated equally with the Company's common shareholders with respect to dividends and liquidation, and will have no right to vote on any matters, questions or proceedings of Camber except: (a) on a proposal to increase or reduce Camber's share capital; (b) on a resolution to approve the terms of a buy-back agreement; (c) on a proposal to wind up Camber; (d) on a proposal for the disposal of all or substantially all of Camber's property, business and undertaking; (f) during the winding-up of Camber; and/or (g) with respect to a proposed merger or consolidation in which Camber is a party or a subsidiary of Camber is a party.

As of December 31, 2021 and 2020, the Company had no Series A Convertible Preferred Stock issued or outstanding.

Series C Redeemable Convertible Preferred Stock

Holders of the Series C Preferred Stock are entitled to cumulative dividends in the amount of 24.95% per annum (adjustable up to 34.95% if a trigger event, as described in the designation of the Series C Preferred Stock occurs), payable upon redemption, conversion, or maturity, and when, as and if declared by our Board of Directors in its discretion, provided that upon any redemption, conversion, or maturity, seven years of dividends are due and payable on such redeemed, converted or matured stock. The Series C Preferred Stock ranks senior to the common stock. The Series C Preferred Stock has no right to vote on any matters, questions or proceedings of the Company including, without limitation, the election of directors except: (a) during a period where a dividend (or part of a dividend) is in arrears; (b) on a proposal to reduce the Company's share capital; (c) on a resolution to approve the terms of a buy-back agreement; (d) on a proposal to wind up the Company; (e) on a proposal for the disposal of all or substantially all of the Company's property, business and undertakings; and (f) during the winding-up of the Company.

The Series C Preferred Stock may be converted into shares of common stock ("Conversion Shares") at any time at the option of the holder, or at our option if certain equity conditions (as defined in the certificate of designation for the Series C Preferred Stock), are met. Upon conversion, we will pay the holders of the Series C Preferred Stock being converted through the issuance of common shares, in an amount equal to the dividends that such shares would have otherwise earned if they had been held through the maturity date (i.e., seven years), and issue to the holders such number of shares of Common stock equal to $10,000 per share of Series C Preferred Stock (the "Face Value") multiplied by the number of such shares of Series C Preferred Stock divided by the applicable Conversion Price of $3.25 per share adjusted for any forward or reverse splits..

The conversion premium under the Series C Preferred Stock is payable and the dividend rate under the Series C Preferred Stock is adjustable. Specifically, the conversion rate of such premiums and dividends equals 95% of the average of the lowest 5 individual daily volume weighted average prices during the Measuring Period, not to exceed 100% of the lowest sales prices on the last day of the Measuring Period, less $0.05 per share of common stock, unless a trigger event has occurred, in which case the conversion rate equals 85% of the lowest daily volume weighted average price during the Measuring Period, less $0.10 per share of common stock not to exceed 85% of the lowest sales prices on the last day of such the Measuring Period, less $0.10 per share. The "Measuring Period " is the period beginning, if no trigger event has occurred, 30 trading days, and if a trigger event has occurred, 60 trading days, before the applicable notice has been provided regarding the exercise or conversion of the applicable security, and ending, if no trigger event has occurred, 30 trading days, and if a trigger event has occurred, 60 trading days, after the applicable number of shares stated in the initial exercise/conversion notice have actually been received into the holder's designated brokerage account in electronic form and fully cleared for trading. Trigger events are described in the designation of the Series C Preferred Stock, but include items which would typically be events of default under a debt security, including filing of reports late with the SEC.

The Series C Preferred Stock has a maturity date that is seven years after the date of issuance and, if the Series C Preferred Stock has not been wholly converted into shares of common stock prior to such date, all remaining outstanding Series C Preferred Stock will automatically be converted in to shares of Common Stock, to the extent the Corporation has sufficient authorized but unissued shares of Common Stock available for issuance upon conversion. Notwithstanding any other provision of this designation, available authorized and unissued shares of Common Stock will be a limit and cap on the maximum number of common shares that could be potentially issuable with respect to all conversions and other events that are not solely within the control of the Corporation. The Corporation will at all times use its best efforts to authorize sufficient shares. The number of shares required to settle the excess obligation is fixed on the date that net share settlement occurs. The Dividend Maturity Date will be indefinitely extended and suspended until sufficient authorized and unissued shares become available. 100% of the Face Value, plus an amount equal to any accrued but unpaid dividends thereon, automatically becomes payable in the event of a liquidation, dissolution or winding up by us.

We may not issue any preferred stock that is pari passu or senior to the Series C Preferred Stock with respect to any rights for a period of one year after the earlier of such date (i) a registration statement is effective and available for the resale of all shares of common stock issuable upon conversion of the Series C Preferred Stock, or (ii) Rule 144 under the Securities Act is available for the immediate unrestricted resale of all shares of common stock issuable upon conversion of the Series C Preferred Stock.

The Series C Preferred Stock is subject to a beneficial ownership limitation, which prevents any holder of the Series C Preferred Stock from converting such Series C Preferred Stock into common stock, if upon such conversion, the holder would beneficially own greater than 9.99% of our outstanding common stock.

Pursuant to the Fifth Amended and Restated COD, which was filed as required by the October 2021 Agreements, holders of the Series C Preferred Stock are permitted to vote together with holders of common stock on all matters other than election of directors and shareholder proposals (including proposals initiated by any holders of Preferred Shares), on an as-if converted basis, subject to the beneficial ownership limitation in the COD, even if there are insufficient shares of authorized common stock to fully convert the Series C Preferred Stock. Also pursuant to the October 2021 Agreements, due to the occurrence of a Trigger Event the Company no longer has the right to conduct an early redemption of the Series C Preferred Stock as provided for in the Designation.

The following tables present a range of estimates of the number of shares potentially issuable to settle future conversions of the Series C Preferred Stock outstanding at December 31, 2021, including the conversion premiums, reflecting consideration of all provisions that pertain to the computation of settlements as follows:

Estimate of Common Shares Due to Series C Pref. Shareholders (assuming Dividends/Conversion Premium are paid in stock as opposed to cash)

Series C Pref. Shares Outstanding - December 31, 2020	**2,093**
Assume Triggering Event	**Yes**

Low VWAP During Measurement Period - $0.3475			**Low VWAP During Measurement Period - $0.50**			**Low VWAP During Measurement Period - $1.00**		
Conversion Price for Preferred Stock	$	3.25	Conversion Price for Preferred Stock	$	3.25	Conversion Price for Preferred Stock	$	3.25
VWAP during Measurement Period	$	0.3475	VWAP during Measurement Period	$	0.5000	VWAP during Measurement Period	$	1.0000
Price for Calculating Conversion Premium (i.e. 85% of VWAP less $0.10)	$	0.1954	Price for Calculating Conversion Premium (i.e. 85% of VWAP less $0.10)	$	0.3250	Price for Calculating Conversion Premium (i.e. 85% of VWAP less $0.10)	$	0.7500
Series C Pref Shares	$	2,093	Series C Pref Shares	$	2,093	Series C Pref Shares		2,093
Face value per share	$	10,000	Face value per share	$	10,000	Face value per share	$	10,000
Total value	$	20,930,000	Total value	$	20,930,000	Total value	$	20,930,000
Annual Conversion Premium	$	7,315,035	Annual Conversion Premium	$	7,315,035	Annual Conversion Premium	$	7,315,035
Total conversion Premium (7 years worth of dividends)	$	51,205,245	Total conversion Premium (7 years worth of dividends)	$	51,205,245	Total conversion Premium (7 years worth of dividends)	$	51,205,245.00
Underlying common shares for Face Value Portion		6,440,000	Underlying common Shares for Face Value Portion		6,440,000	Underlying common shares for Face Value Portion		6,440,000

Underlying common shares for Conversion Premium		262,053,454	Underlying common shares for Conversion Premium		157,554,600	Underlying common shares for Conversion Premium	68,273,660
Total Potential Shares		**268,493,454**	**Total Potential Shares**		**163,994,600**	**Total Potential Shares**	**74,713,660**

Series C Pref. Shares Outstanding – December 31, 2021	**3,886**
Assume Triggering Event	**No**

Low VWAP During Measurement Period - $0.3475			**Low VWAP During Measurement Period - $0.50**			**Low VWAP During Measurement Period - $1.00**		
Conversion Price for Preferred Stock	$	3.25	Conversion Price for Preferred Stock	$	3.25	Conversion Price for Preferred Stock	$	3.25
VWAP during Measurement Period	$	0.3475	VWAP during Measurement Period	$	0.5000	VWAP during Measurement Period	$	1.0000
Price for Calculating Conversion Premium (i.e. 95% of VWAP less $0.05)	$	0.2801	Price for Calculating Conversion Premium (i.e. 95% of VWAP less $0.05)	$	0.4250	Price for Calculating Conversion Premium (i.e. 95% of VWAP less $0.05)	$	0.9000
Series C Pref Shares		2,093	Series C Pref Shares		2,093	Series C Pref Shares		2,093
Face value per share	$	10,000	Face value per share	$	10,000	Face value per share	$	10,000
Total value	$	20,930,000	Total value	$	20,930,000	Total value	$	20,930,000
Annual Conversion Premium	$	7,315,035	Annual Conversion Premium	$	7,315,035	Annual Conversion Premium	$	7,315,035
Total conversion Premium (7 years worth of dividends)	$	51,205,245	Total conversion Premium (7 years worth of dividends)	$	51,205,245	Total conversion Premium (7 years worth of dividends)	$	51,205,245
Underlying common shares for Face Value Portion		6,440,000	Underlying common Shares for Face Value Portion		6,440,000	Underlying common shares for Face Value Portion		6,440,000
Underlying common shares for Conversion Premium		182,810,586	Underlying common shares for Conversion Premium		120,482,929	Underlying common shares for Conversion Premium		56,894,717
Total Potential Shares		**189,250,586**	**Total Potential Shares**		**126,922,929**	**Total Potential Shares**		**63,334,717**

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Series G Convertible Preferred Stock

On or about December 30, 2021, the Company filed with the State of Nevada a *Certificate of Designations of Preferences, Powers, Rights and Limitations of Series G Redeemable Convertible Preferred Stock (the "COD").*

Pursuant to the COD, the *Series G Redeemable Convertible Preferred Stock* ("*Series G Preferred Stock*") may be converted into shares of common stock at any time at the option of the holder at a price per share of common stock equal to one cent above the closing price of the Company's common stock on the date of the issuance of such shares of Series G Preferred Stock, or as otherwise specified in the Stock Purchase Agreement, subject to adjustment as otherwise provided in the COD. Upon conversion, the Company will pay the holders of the Series G Preferred Stock being converted a conversion premium equal to the amount of dividends that such shares would have otherwise earned if they had been held through the maturity date.

The Series G Preferred Stock, with respect to dividend rights and rights upon liquidation, winding-up or dissolution, rank: (a) senior to the Company's common stock; (b) junior to the Series C Redeemable Convertible Preferred Stock, (c) senior to the Series E Redeemable Convertible Preferred Stock and Series F Redeemable Convertible Preferred Stock, as such may be designated as of the date of this Designation, or which may be designated by the Company after the date of this Designation; (d) senior, pari passu or junior with respect to any other series of Preferred Stock, as set forth in the Certificate of Designations of Preferences, Powers, Rights and Limitations with respect to such Preferred Stock; and (d) junior to all existing and future indebtedness of the Company.

Except as prohibited by applicable law or as set forth herein, the holders of shares of Series G Preferred Stock will have the right to vote together with holders of common stock and Series C Preferred on all matters other than: (i) the election of directors; (ii) and any shareholder proposals, including proposals initiated by any holder of shares of Series G Preferred Stock), in each instance on an as-converted basis, subject to the beneficial ownership limitation in the COD even if there are insufficient shares of authorized common stock to fully convert the shares of Series G Preferred Stock into common stock.

Commencing on the date of the issuance of any such shares of Series G Preferred Stock, each outstanding share of Series G Preferred Stock will accrue cumulative dividends at a rate equal to 10.0% per annum, subject to adjustment as provided in the COD (to a maximum of 30% per annum), of the Face Value. Dividends will be payable with respect to any shares of Series G Preferred Stock upon any of the following: (a) upon redemption of such shares in accordance with the COD; (b) upon conversion of such shares in accordance with the COD; and (c) when, as and if otherwise declared by the board of directors of the Corporation.

Dividends, as well as any applicable Conversion Premium payable hereunder, will be paid in shares of common stock valued at (i) if there is no Material Adverse Change ("MAC") as at the date of payment or issuance of common shares for the Conversion Premium, as applicable, (A) 95.0% of the average of the 5 lowest individual daily volume weighted average prices of the common stock on the Trading Market during the applicable Measurement Period, which may be non-consecutive, less $0.05 per share of common stock, not to exceed (B) 100% of the lowest sales price on the last day of such Measurement Period less $0.05 per share of common stock, or (ii) during the time that any MAC is ongoing, (A) 85.0% of the lowest daily volume weighted average price during any Measurement Period for any conversion by Holder, less $0.10 per share of common stock, not to exceed (B) 85.0% of the lowest sales price on the last day of any Measurement Period, less $0.10 per share of common stock.

On the Dividend Maturity Date, the Corporation may redeem any or all shares of Series G Preferred Stock by paying Holder, in registered or unregistered shares of common stock valued at an amount per share equal to 100% of the Liquidation Value for the shares redeemed, and the Corporation will use its best efforts to register such shares.

Dividend Policy

We have not declared or paid cash dividends or made distributions in the past. We do not anticipate that we will pay cash dividends or make distributions in the foreseeable future. We currently intend to retain and reinvest future earnings to finance operations. We may however declare and pay dividends in shares of our common stock in the future (similar to how we have in the past).

Sales of Unregistered Securities

There have been no sales of unregistered securities during the year ended December 31, 2021, which have not previously been disclosed in a Quarterly Report on Form 10-Q or in a Current Report on Form 8-K, except as set forth below:

The Company issued to one of its preferred stockholders a total of 7,568,617 shares of common stock pursuant to the stockholder's conversion of Series C Preferred Stock into common stock. The shares were issued pursuant to the exemptions from registration provided by Sections 3(a)(9), 4(a)(1) and 4(a)(2) of the Securities Act of 1933, as amended, and/or Rule 144 promulgated thereunder, as the shares of common stock were issued in exchange for preferred stock of the Company held by the preferred stockholder, there was no additional consideration for the exchanges, there was no remuneration for the solicitation of the exchanges, the exchanged securities had been held by the preferred stockholder for the requisite holding period, the preferred stockholder was not an affiliate of the Company, the Company was not a shell company, there was no general solicitation and the transactions with the shareholders did not involve a public offering.

ITEM 6. SELECTED FINANCIAL DATA.

Not required under Regulation S-K for "smaller reporting companies."

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

You should read the following discussion and analysis in conjunction with the consolidated financial statements and notes thereto appearing elsewhere in this annual report on Form 10-K.

In preparing the management's discussion and analysis, the registrant presumes that you have read or have access to the discussion and analysis for the preceding fiscal year.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended or the Reform Act. All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws, including, but not limited to, any projections of earning, revenue or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services or developments; any statements regarding future economic conditions of performance; and statements of belief; and any statements of assumptions underlying any of the foregoing. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following:

The Company's ability to raise capital and the terms thereof; and other factors referenced in this Form 10-K.

The use in this Form 10-K of such words as "believes", "plans", "anticipates", "expects", "intends", and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements. These forward-looking statements present the Company's estimates and assumptions only as of the date of this report. Except for the Company's ongoing obligation to disclose material information as required by the federal securities laws, the Company does not intend, and undertakes no obligation, to update any forward-looking statements.

Although the Company believes that the expectations reflected in any of the forward-looking statements are reasonable, actual results could differ materially from those projected or assumed or any of the Company's forward-looking statements. The Company's future financial condition and results of operations, as well as any forward-looking statements, are subject to change and inherent risks and uncertainties.

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PLAN OF OPERATIONS

Overview

The Company's business plan is to engage in the acquisition, exploration, development and production of oil and natural gas properties, both individually and through collaborative partnerships with other companies in this field of endeavor. The Company's majority-owned investee, Viking Energy Group, Inc., has relationships with industry experts and formulated an acquisition strategy, with emphasis on acquiring under-valued, producing properties from distressed vendors or those deemed as non-core assets by larger sector participants. The Company does not focus on speculative exploration programs, but rather targets properties with current production and untapped reserves. The Company's growth strategy includes the following key initiatives:

- Acquisition of under-valued producing oil and gas assets
- Employ enhanced recovery techniques to maximize production
- Implement responsible, lower-risk drilling programs on existing assets
- Aggressively pursue cost-efficiencies
- Opportunistically explore strategic mergers and/or acquisitions
- Actively hedge mitigating commodity risk

The following overview provides a background for the current strategy being implemented by management during the year ended December 31, 2021 and the nine months ended December 31, 2020.

Going Concern Qualification

The Company's consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company generated a net loss of $169.7 million for the year ended December 31, 2021 (the "2021 Loss") as compared to a net loss of $52.0 million for the nine-month period ended December 31, 2020. The 2021 Loss was comprised of certain non-cash items with a net impact of $163.8 million including: (i) a loss on changes in fair value of the derivative liability relating to the Series C Preferred Stock of $152.8 million; (ii) equity in loss of unconsolidated entity of $9.4 million (iii) and share based compensation of $1.6 million.

As of December 31, 2021, the Company had stockholders' deficit of $71.8 million and total long-term debt of $21.5 million.

As of December 31, 2021, the Company has a working capital deficiency of approximately $90.7 million. The largest components of current liabilities creating this working capital deficiency was a derivative liability associated with our Series C Preferred Stock of $93.1 million.

Management believes it will be able to continue to leverage the expertise and relationships of its operational and technical teams to enhance existing assets and identify new development, drilling and acquisition opportunities in order to improve the Company's financial position. The Company may have the ability, if it can raise additional capital, to acquire new assets in a separate division from existing subsidiaries.

Nonetheless, recent oil and gas price volatility as a result of geopolitical conditions and the global COVID-19 pandemic have already had and may continue to have a negative impact on the Company's financial position and results of operations. Negative impacts could include but are not limited to: The Company's ability to sell [its] oil and gas production, reduction in the selling price of the Company's oil and gas, failure of a counterparty to make required hedge payments, possible disruption of production as a result of worker illness or mandated production shutdowns, the Company's ability to maintain compliance with loan covenants and/or refinance existing indebtedness, and access to new capital and financing.

These conditions raise substantial doubt regarding the Company's ability to continue as a going concern for the twelve months following the issuance of its financial statements for the year ended December 31, 2021. The Company's ability to continue as a going concern is dependent upon its ability to utilize the resources in place to generate future profitable operations, to develop additional acquisition opportunities, and to obtain the necessary financing to meet its debt obligations and repay its liabilities arising from business operations when they come due. Management believes the Company will be able to continue to develop new opportunities and will be able to obtain additional funds through debt and / or equity financings to facilitate its development strategy; however, there is no assurance of additional funding being available. These consolidated financial statements do not include any adjustments to the recorded assets or liabilities that might be necessary should the Company have to curtail operations or be unable to continue in existence.

During the year ended December 31, 2021 and the nine months ended December 31, 2020, the Company sold 1,575 and 630 shares, respectively, of Series C Preferred Stock pursuant to the terms of various Stock Purchase Agreements, for total cash proceeds of $15.0 and $6.0 million, respectively. During the year ended December 31, 2021, the Company sold 10,544 shares of Series G Preferred Stock for total proceeds of $5.0 million

Although the Company has been successful in obtaining the financial resources in the past, these conditions continue to raise substantial doubt regarding the Company's ability to continue as a going concern. Therefore, the Company believes it appropriate to continue to include a going concern qualification in its financial statements.

RESULTS OF OPERATIONS

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Accordingly, the consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Additionally, recent oil and gas price volatility as a result of geopolitical conditions and the global COVID-19 pandemic have already had and are expected to continue to have a negative impact on the Company's financial position and results of operations. Negative impacts could include but are not limited to the Company's ability to sell its oil and gas production, reduction in the selling price of the Company's oil and gas, failure of a counterparty to make required payments, possible disruption of production as a result of worker illness or mandated production shutdowns or 'stay-at-home' orders, and access to new capital and financing.

Our primary sources of cash for the year ended December 31, 2021 were from funds generated from the sale of preferred stock. The primary uses of cash were funds used in operations and funds invested in connection with the Viking Acquisition.

Pursuant to the December 31, 2019 Redemption Agreement, we entered into a new unsecured promissory note in the amount of $1,539,719 with Lineal, evidencing the repayment of the prior July 2019 Lineal Note, together with additional amounts loaned by Camber to Lineal through December 31, 2019; and loaned Lineal an additional $800,000, which was evidenced by an unsecured promissory note in the amount of $800,000, entered into by Lineal in favor of the Company on December 31, 2019. The December 2019 Lineal Note and Lineal Note No. 2, accrue interest, payable quarterly in arrears, beginning on March 31, 2020 and continuing until December 31, 2021, when all interest and principal is due, at 8% and 10% per annum (18% upon the occurrence of an event of default), respectively. The December 2019 Lineal Note and Lineal Note No. 2 are unsecured. Such loans are described in greater detail above under "Item 1. Business - General - Lineal Acquisition and Divestiture", and Lineal has advised it does not have resources to repay the loans. The loans have been fully reserved as of December 31, 2020.

On June 22, 2020, the Company and the Investor (as defined above) entered into a Stock Purchase Agreement pursuant to which the Investor purchased 630 shares of Series C Preferred Stock for $6 million (of which $4.2 million of such funds were subsequently loaned to Viking as discussed herein).

The following discussion of the consolidated financial condition and results of operation of the Company should be read in conjunction with the consolidated financial statements and the related Notes included elsewhere in this Report.

Liquidity and Capital Resources

Working Capital:	**December 31, 2021**	**December 31, 2020**
Current assets	$ 5,935,604	$ 909,836
Current liabilities	$ 96,664,577	$ 95,048,013
Working capital (deficit)	$ (90,728,973)	$ (94,138,177)

Cash Flows:	**Year Ended December 31, 2021**	**Nine Months Ended December 31, 2020**
Net Cash Used in Operating Activities	$ (3,414,166)	$ (2,688,067)
Net Cash Provided by (Used in) Investing Activities	$ 15,100,000	$ 15,100,000)
Net Cash Provided by Financing Activities	$ 23,500,000	$ 18,000,000
Increase (Decrease) in Cash during the Period	$ 4,985,834	$ 211,933
Cash, end of Period	$ 5,854,382	$ 868,548

The Company had current assets of $5,935,604 as of December 31, 2021, as compared to $909,836 as of December 31, 2020. The Company had current liabilities of $96,664,577 as of December 31, 2021, as compared to $95,048,013 as of December 31, 2020. The Company had a working capital deficit of $90,728,973 of December 31, 2021, as compared to a working capital deficit of $94,138,177 as of December 31, 2020.

Net cash used by operating activities increased to $3,414,166 during the year ended December 31, 2020, as compared to cash used by operating activities of $2,688,067 for the nine months ended December 31, 2020, as the operating period was for twelve months as compared to nine months.

Net cash used by investing activities of $15,100,000 during the year ended December 31, 2021 as compared to cash used by investing activities of the same amount during the nine-month period ended December 31, 2020, representing investments in Viking.

Net cash provided by financing activities increased to $23,500,000 during the year ended December 31, 2021, as compared to $18,000,000 for the nine-month period ended December 31, 2020. This increase is mainly due to issuance of the Series C and Series G Preferred stock to facilitate the acquisition of additional investments in Viking.

Revenue

The Company had gross revenues of $401,222 for the year ended December 31, 2021 as compared to $150,814 for the nine months ended December 31, 2020 primarily due to twelve months of revenues compared to nine months for the prior period.

Expenses

The Company's operating expenses were $5,834,587 for the year ended December 31, 2021, as compared to $5,351,187 for the nine months ended December 31, 2020. General and administrative expenses decreased by $1,025,425, while share based compensation increased by $1,500,393 during the year ended December 31, 2021 which was partially offset by a $2.2 million charge to bad debt for the Lineal loan during the nine months ended December 31, 2020.

Income (Loss) from Operations

The Company generated a loss from operations of $5,433,365 for the year ended December 31, 2021, as compared to a loss from operations of $5,200,373 from operations for the nine months ended December 31, 2020, due primarily to those items listed above.

Other income (expense)

The Company had other income (expense) of $(164,241,804) for the year ended December 31, 2021, as compared to ($46,811,015) for the nine months ended December 31, 2020. The largest components of this change is the recognition of a change in the fair value of derivative liabilities of $(152,831,568) during the year ended December 31, 2021 as compared to $(41,878,821) for the nine months ended December 31, 2020, and equity in losses of unconsolidated affiliates of $(9,430,946) during the year ended December 31, 2021 as compared to $(5,401,540) for the nine months ended December 31, 2020, which was primarily the loss associated with the equity investment in Viking.

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity or capital expenditures or capital resources that is material to an investor in the Company's securities.

Seasonality

The Company's operating results are not affected by seasonality.

Inflation

The Company's business and operating results are not currently affected in any material way by inflation although they could be adversely affected in the future were inflation to increase, resulting in cost increases.

Critical Accounting Policies

We prepare our financial statements in conformity with GAAP, which requires management to make certain estimates and assumptions and apply judgments. We base our estimates and judgments on historical experience, current trends and other factors that management believes to be important at the time the financial statements are prepared and actual results could differ from our estimates and such differences could be material. Due to the need to make estimates about the effect of matters that are inherently uncertain, materially different amounts could be reported under different conditions or using different assumptions. On a regular basis, we review our critical accounting policies and how they are applied in the preparation of our financial statements, as well as the sufficiency of the disclosures pertaining to our accounting policies in the footnotes accompanying our financial statements. Described below are the most significant policies we apply in preparing our consolidated financial statements, some of which are subject to alternative treatments under GAAP. We also describe the most significant estimates and assumptions we make in applying these policies. See "Note 2 - Summary of Significant Accounting Policies" to our consolidated financial statements.

Oil and Gas Property Accounting

The Company uses the full cost method of accounting for its investment in oil and natural gas properties. Under this method of accounting, all costs of acquisition, exploration and development of oil and natural gas properties (including such costs as leasehold acquisition costs, geological expenditures, dry hole costs, tangible and intangible development costs and direct internal costs) are capitalized as the cost of oil and natural gas properties when incurred.

The full cost method requires the Company to calculate quarterly, by cost center, a "ceiling," or limitation on the amount of properties that can be capitalized on the balance sheet. To the extent capitalized costs of oil and natural gas properties, less accumulated depletion and related deferred taxes exceed the sum of the discounted future net revenues of proved oil and natural gas reserves, the lower of cost or estimated fair value of unproved properties subject to amortization, the cost of properties not being amortized, and the related tax amounts, such excess capitalized costs are charged to expense.

No impairment expense was recorded for the year ended December 31, 2021 or the nine-month period ended December 31, 2020.

Proved Reserves

Estimates of our proved reserves included in this report are prepared in accordance with U.S. SEC guidelines for reporting corporate reserves and future net revenue. The accuracy of a reserve estimate is a function of:

i. the quality and quantity of available data;

ii. the interpretation of that data;

iii. the accuracy of various mandated economic assumptions; and

iv. the judgment of the persons preparing the estimate.

Our proved reserve information included in this report was predominately based on estimates. Because these estimates depend on many assumptions, all of which may substantially differ from future actual results, reserve estimates will be different from the quantities of oil and gas that are ultimately recovered. In addition, results of drilling, testing and production after the date of an estimate may justify material revisions to the estimate.

In accordance with SEC requirements, we based the estimated discounted future net cash flows from proved reserves on the unweighted arithmetic average of the prior 12-month commodity prices as of the first day of each of the months constituting the period and costs on the date of the estimate.

The estimates of proved reserves materially impact depreciation, depletion, amortization and accretion ("DD&A") expense. If the estimates of proved reserves decline, the rate at which we record DD&A expense will increase, reducing future net income. Such a decline may result from lower market prices, which may make it uneconomic to drill for and produce from higher-cost fields.

Asset Retirement Obligation

Asset retirement obligations (“ARO”) primarily represent the estimated present value of the amount we will incur to plug, abandon and remediate our producing properties at the projected end of their productive lives, in accordance with applicable federal, state and local laws. We determined our ARO by calculating the present value of estimated cash flows related to the obligation. The retirement obligation is recorded as a liability at its estimated present value as of the obligation’s inception, with an offsetting increase to proved properties. Periodic accretion of discount of the estimated liability is recorded as accretion expense in the accompanying consolidated statements of operations and comprehensive income.

ARO liability is determined using significant assumptions, including current estimates of plugging and abandonment costs, annual inflation of these costs, the productive lives of wells and a risk-adjusted interest rate. Changes in any of these assumptions can result in significant revisions to the estimated ARO.

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Derivative Liabilities

The Company has determined that certain obligations to issue shares relating to conversions of the Series C Preferred Stock contain provisions that could result in modification of the Series C Preferred Stock conversion price that is based on a variable that is not an input to the fair value of a “fixed-for-fixed” option as defined under FASB ASC Topic No. 815 - 40.

The Series C Preferred Stock are convertible into shares of common stock at a fixed $3.25 conversion rate. Upon conversion, the holder is entitled to dividends as if the shares had been held to maturity, which is referred to as the Conversion Premium. The Conversion Premium may be paid in shares or cash, at the option of the Company. If the Conversion Premium is paid in cash, the amount is fixed and generally not subject to adjustment. If the Conversion Premium is paid in shares, the conversion ratio is based on a VWAP calculation based on the lowest stock price over the Measurement Period. The Measurement Period is 30 days (or 60 days if there is a Triggering Event) prior to the conversion date and 30 days (or 60 days if there is a Triggering Event) after the conversion date. The VWAP calculation is subject to adjustment if there is a Triggering Event and the Measurement Period is subject to adjustment in the event that the Company is in default of one or more Equity Conditions provided in the Certificate of Designation. For example, the Measurement period may be extended one day for every day the Company is not in compliance with one or more of the Equity Conditions. Trigger Events are described in the designation of the Series C Preferred Stock, but include items which would typically be events of default under a debt security, including filing of reports late with the SEC.

At the conversion date, the number of shares due for the Conversion Premium is estimated based on the previous 30-day (or 60 day) VWAP. If the Company does not elect to pay the Conversion Premium in cash, the Company will issue all shares due for the conversion and the estimated shares due for the conversion premium. If the VWAP calculation for the portion of the Measurement Period following the date of conversion is lower than the VWAP for the portion of the Measurement Period prior to the date of conversion, the holder will be issued additional common shares, referred to as “true-up” shares. If the VWAP calculation is higher, no true-up shares are issued.

The derivative liability at the end of each period includes a derivative liability for the outstanding Series C shares and a derivative liability for the potential obligation to issue True-Up Shares relating to Series C shares that have been converted and the Measurement Period has not expired, if applicable.

Prior to April 20, 2021, the fair value of the derivative liability relating to the Conversion Premium for any outstanding Series C Shares was equal to the cash required to settle the Conversion Premium. On April 20, 2021, the Company amended the Series C Stock certificate of designation (COD) to require all conversions to be in common shares, thus removing the cash option for redemption of the Conversion Premium. The amendment required reclassification of the Series C Stock recorded in temporary equity to be reclassified to permanent equity with no further quarterly adjustments. The removal of the cash option for conversion of the Conversion Premium changed the cash redemption assumption to assume, in all cases, share redemption. Therefore, the derivative liability is required to be recorded at the fair value of the equivalent number of common shares issuable to satisfy the Conversion Premium. We recorded an adjustment to derivative liability and loss on derivative on April 20, 2021 and we will record changes in fair value of the derivative liability each quarter thereafter as long as any Series C Stock are outstanding. We estimated the fair value of the derivative liability for the outstanding Series C Stock Conversion Premium using the period end number of shares required to satisfy the Conversion Premium generally at the period end closing share price of the Company’s common stock, except as noted below.

The fair value of the potential true-up share obligation has been estimated using a binomial pricing mode and the lesser of the conversion price or the low closing price of the Company’s stock subsequent to the conversion date. and the historical volatility of the Company’s common stock.

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The Company is a smaller reporting company and is traded on the NYSE American exchange. Historically, our stock price has been extremely volatile and subject to large and sometimes unexplained price variations on a daily or weekly basis. In addition, the Company declared four reverse stock splits in 2018 and 2019 and the Company's common stock generally trades at less than $1.00 per share. These factors have exacerbated daily volatility of our stock price. Consequently, we believe that the closing price of our stock on the reporting date may not, in all cases, represent the fair value of the common share required to satisfy the redemption of the Series C preferred Stock. Recognizing that the closing share price of our publicly traded stock is an observable input to fair value, we used such price for determining fair value in most cases and only considered an alternative measure of fair value when the closing price of the Company's common stock varied by more than 20% from the five-day moving average immediately prior to the measurement date. In such cases, we used an average closing price of the previous 30-day period as an estimate of fair value, adjusted for stock splits if applicable. In addition, conversion of the Series C shares requires a significant number of common shares to be issued in relation to the total number of shares outstanding. We do not believe that the market price of the Company's common stock appropriately reflects the potential for significant dilution caused by a large conversion and may not be representative of market value. In cases where the number of common shares required to satisfy a conversion of the Series C shares into common stock was significant in relation to the total number of shares outstanding (approximately 30% or greater) we determined the fair value of the embedded features based on the historical market capitalization of the Company.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The Company, as a smaller reporting company (as defined by Rule 12b-2 of the Exchange Act), is not required to furnish information required by this item.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

INDEX TO THE FINANCIAL STATEMENTS

Your Vision Our Focus

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Camber Energy, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Camber Energy, Inc. (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of operations, changes in stockholders' deficit, and cash flows for the period from April 1, 2020 to December 31, 2020 and the year ended December 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020 and the results of its operations and its cash flows for the period from April 1, 2020 to December 31, 2020 and for the year ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

Explanatory Paragraph – Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in Note 3, the Company has a significant working capital deficiency, has incurred significant losses and needs to raise additional funds to meet its obligations and sustain its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate

Series C Preferred Stock

As discussed in Notes 1 and 14, the Company issued a series of preferred stock that contained several features which derived value from sources unrelated to the host preferred stock instrument. The Company determined certain of the features included in the Series C Preferred Stock designations, including the conversion, dividend and liquidation value, required that the preferred stock be reported as a component of temporary equity with the conversion and dividend components bifurcated and accounted for on a stand-alone basis as derivatives. The determination of fair value of these derivatives as well as the value of the temporary equity involved using complex valuation methodologies and significant assumptions including volume weighted prices and the estimated valuation of the Company's common stock taking into consideration the effect of these dilutive instruments.

We identified auditing the Company's evaluation of the accounting for the features included in the Series C Preferred Stock, specifically the methods and assumptions used to estimate the fair value of the derivative liabilities, as a critical audit matter.

How We Addressed the Matter in Our Audit:

The primary procedures we performed to address this critical audit matter included:

- Obtaining and reviewing the underlying Series C Preferred Stock certificate of designation and related amendments to understand the terms and conditions, economic substance, and identify embedded features requiring evaluation.

- Testing management's development of the assumptions used in the valuation models applied and the reasonableness of those assumptions.

- Obtaining an understanding of management's process for developing the estimated fair value of the embedded features, including evaluation of the appropriateness of the method selected by the Company, identifying the significant assumptions used to determine the fair value estimate, and the application of those assumptions in the related method.

- Testing the data and significant assumptions used in developing the fair value estimate, including procedures to determine whether the data was complete and accurate and sufficiently precise.

/s/ *Turner, Stone & Company, L.L.P.*

We have served as the Company's auditor since 2021

Dallas, Texas
May 19, 2022

Turner, Stone & Company, L.L.P.
Accountants and Consultants
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INTERNATIONAL ASSOCIATION OF ACCOUNTANTS AND AUDITORS

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CAMBER ENERGY, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2021	December 31, 2020
ASSETS		
Current assets		
Cash	$ 5,854,382	$ 868,548
Accounts receivable - oil and gas - net	24,389	7,077
Prepaid expenses	56,833	34,211
Total current assets	5,935,604	909,836
Oil and gas properties, full cost method		
Proved developed producing oil and gas properties, net	68,884	74,877

Total oil and gas properties, net	68,884	74,877
Due from Viking Energy, Inc.	4,100,000	-
Equity method investment	36,299,592	15,830,538
TOTAL ASSETS	$ 46,404,080	$ 16,815,251
LIABILITIES AND STOCKHOLDERS DEFICIT		
Current liabilities		
Accounts payable	$ 1,449,335	$ 996,382
Accrued expenses and other current liabilities	2,103,674	67,397
Current taxes payable	3,000	3,000
Derivative liability	93,108,568	93,981,234
Total current liabilities	96,664,577	95,048,013
Long-term debt - net of current portion	21,500,000	18,000,000
Asset retirement obligation	53,055	46,748
TOTAL LIABILITIES	118,217,632	113,094,761
Commitments and contingencies (Note 11)	-	-
TEMPORARY EQUITY		
Preferred Stock Series C, 2,093 shares issued and outstanding as of December 31, 2020, liquidation preference of $72,135,245	-	5,946,052
STOCKHOLDERS' DEFICIT		
Preferred Stock Series C, 5,200 shares authorized, $0.001 par value, 3,886 shares issued and outstanding as of December 31, 2021, liquidation preference of $133,930,990.	4	-
Preferred Stock Series G, 25,000 authorized, $0.001 par value, 10,544 issued and outstanding as of December 31, 2021, liquidation preference of $10,540,000	10	-
Common stock, 1,000,000,000 shares authorized of $0.001 par value, 257,132,026 and 25,000,000 shares issued and outstanding as of December 31, 2021 and 2020	257,132	25,000
Additional paid-in-capital	409,217,417	209,362,384
Accumulated Deficit	(481,288,115)	(311,612,946)
TOTAL STOCKHOLDERS' DEFICIT	(71,813,552)	(102,225,562)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 46,404,080	$ 16,815,251

The accompanying notes are an integral part of these financial statements

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CAMBER ENERGY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2021	Nine Months Ended December 31, 2020

Revenue		
Oil and gas sales	$ 401,222	$ 150,814
Operating expenses		
Lease operating costs	134,684	131,937
General and administrative	4,150,708	5,176,133
Stock based compensation	1,536,895	36,502
Depreciation, depletion, amortization and accretion	12,300	6,615
Total operating expenses	5,834,587	5,351,187
Loss from operations	(5,433,365)	(5,200,373)
Other income (expense)		
Interest expense	(1,979,290)	(67,397)
Equity (deficit) in earnings of uncolidated entities	(9,430,946)	(5,401,540)
Gain (loss) on derivative liability	(152,831,568)	(41,878,821)
Interest and other income	-	765,516
Other expenses	-	(228,773)
Total other income (expense)	(164,241,804)	(46,811,015)
Net income (loss) before income taxes	(169,675,169)	(52,011,388)
Income tax benefit (expense)	-	-
Net income (loss) attributable to Camber Energy, Inc.	(169,675,169)	(52,011,388)
Less preferred dividends	(84,156,455)	(6,929,910)
Net income (loss) attributable to common stockholders	$(253,831,624)	$(58,941,298)
Income (loss) per weighted average number of common shares outstanding - basic and diluted	$ (2.05)	$ (3.36)
Weighted average number of common shares outstanding		
Basic and Diluted	124,077,234	17,556,725

The accompanying notes are an integral part of these consolidated financial statements.

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CAMBER ENERGY, INC.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

Series C Preferred Stock		Series C Preferred Stock		Series G Preferred Stock		Common Stock		Additional		Total
Number Of Shares	Amount	Number Of Shares	Amount	Number Of Shares	Amount	Number Of Shares	Amount	Paid In Capital	Accumulated Deficit	Stockholders' (Deficit) Equity

For the year ended December 31, 2021											
Balances, December 31, 2020	**2,093**	**$ 5,946,052**	**-**	**$ -**	**-**	**$ -**	**25,000,000**	**$ 25,000**	**$209,362,384**	**$(311,612,946)**	**(102,225,562)**
Common Shares issued for:											
Conversion of Series C Preferred Stock	-	-	(1,672)	(2)	-	-	176,301,780	176,301	141,632,774	-	**141,809,073**
True-Up Shares	-	-	-	-	-	-	54,330,153	54,331	45,740,826	-	**45,795,157**
Issuance of Common Shares for Consulting Fees	-	-	-	-	-	-	1,500,094	1,500	1,493,358	-	**1,494,858**
Equity contribution	-	(11,208,840)	-	-	-	-	-	-	11,208,840	-	**11,208,840**
Warrants issued for compensation	-	-	-	-	-	-	-	-	42,037	-	**42,037**
Issuance of Series G Stock for cash	-	-	-	-	10,544	10	-	-	313,681		**313,691**
Issuance of Common stock warrants for cash	-	-	-	-	-	-	-	-	4,686,309		**4,686,309**
Issuance of Series C Preferred Shares for Cash Proceeds	1,890	6,164,308	-	-	-	-	-	-	(6,164,308)	-	**(6,164,308)**
Series C fair value adjustment	-	512,686	-	-	-	-	-	-	(512,686)	-	**(512,686)**
Issuance of Series C Preferred Shares for Cash Proceeds	-	-	1,575	2	-	-	-	-	-	-	**2**
Other	-	-	-	-	-	-	(1)	-	-	-	**-**
Transfer of Series C Preferred Stock to Permanent Equity	(3,983)	(1,414,206)	3,983	4	-	-	-	-	1,414,202	-	**1,414,206**
Net Loss	-	-	-	-	-	-	-	-	-	(169,675,169)	**(169,675,169)**

Balances December 31, 2021	**-**	**$ -**	**3,886**	**$4**	**10,544**	**$10**	**257,132,026**	**$257,132**	**$409,217,417**	**$(481,288,115)**	**$ (71,813,552)**
For the nine months ended December 31, 2020											
Balances, March 31, 2020	**2,819**	**$ 9,801,446**	**-**	**$ -**	**-**	**$ -**	**5,000,000**	**$ 5,000**	**$179,783,233**	**$(259,601,558)**	**(79,813,325)**
Common Shares issued for:											
Conversion of Series C Preferred Stock	(756)	(1,734,473)	-	-	-	-	19,823,486	19,823	28,790,997	-	**28,810,820**
True-Up Shares	-	-	-	-	-	-	-	-	-	-	**-**
Issuance of Common Shares for Consulting Fees	-	-	-	-	-	-	176,514	177	209,325	-	**209,502**
Issuance of Series C Preferred Shares for Cash Proceeds	630	2,217,671	-	-	-	-	-	-	(2,217,671)	-	**(2,217,671)**
Series C Preferred Stock exchanged for debt	(600)	(1,542,092)	-	-	-	-	-	-	-	-	**-**
Change in fair value of Series C shares	-	(2,796,500)	-	-	-	-	-	-	2,796,500	-	**2,796,500**
Net Loss	-	-	-	-	-	-	-	-	-	(52,011,388)	**(52,011,388)**
Balances December 31, 2020	**2,093**	**$ 5,946,052**	**-**	**$ -**	**-**	**$ -**	**25,000,000**	**$ 25,000**	**$209,362,384**	**$(311,612,946)**	**$(102,225,562)**

The accompanying notes are an integral part of these consolidated financial statements.

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CAMBER ENERGY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2021	Nine Months Ended December 31, 2020
Cash flows from operating activities:		
Net loss	($169,675,169)	$(52,011,388)
Adjustments to reconcile net loss to cash provided (used) by operating activities		
Stock-based compensation	1,536,895	36,502
Depreciation, depletion, amortization and accretion	12,300	6,615
Change in fair value of derivative liability	152,831,569	41,878,823
Bad debt expense	-	2,339,719
(Equity) deficit in earnings of unconsolidated entity	9,430,946	5,401,540
Changes in operating assets and liabilities		
Accounts receivable	(17,312)	248,286
Prepaid expenses and other assets	(22,622)	341,524
Accounts payable and accrued expenses	2,489,227	(929,688)
Net cash (used) in operating activities	(3,414,166)	(2,688,067)
Cash flows from investing activities:		
Loan to Viking prior to investment	(4,100,000)	(4,200,000)
Cash paid for Viking investment	(11,000,000)	(10,900,000)
Net cash provided (used) in investing activities	(15,100,000)	(15,100,000)
Cash flows from financing activities:		
Proceeds from issuance of Series C Preferred Stock	15,000,000	-
Proceeds from issuance of Series G Preferred Stock	5,000,000	-
Proceeds from long-term debt	3,500,000	18,000,000
Net cash provided by financing activities	23,500,000	18,000,000
Net increase in cash	4,985,834	211,933
Cash, beginning of period	868,548	656,615
Cash, end of period	$ 5,854,382	$ 868,548
Supplemental Cash Flow Information		
Cash paid for:		
Interest	$ 6,002	$ -
Taxes	$ -	$ -

The accompanying notes are an integral part of these consolidated financial statements.

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CAMBER ENERGY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – RELATIONSHIP WITH AND INVESTMENT IN VIKING ENERGY GROUP, INC.

On December 23, 2020 Camber Energy, Inc. (“Camber”, the “Company”) acquired a 51% interest in Viking Energy Group, Inc. (“Viking”). On January 8, 2021 the Company acquired an additional interest in Viking resulting in the Company owning approximately 63% of the outstanding common shares of Viking. The Company has determined that its ownership of the common shares of Viking gives the Company the ability to exercise significant influence over Viking, but not control and accounts for its investment in Viking under the equity method.

December 23, 2020 Transaction

On December 23, 2020, the Company entered into a Securities Purchase Agreement with Viking, pursuant to which Camber acquired (“Camber’s Acquisition”) 26,274,510 shares of Viking common stock (“Camber’s Viking Shares”), which constituted 51% of the total outstanding common stock of Viking, in consideration of (i) Camber’s payment of $10,900,000 to Viking (the “Cash Purchase Price”), and (ii) cancellation of $9,200,000 in promissory notes issued by Viking to Camber (“Camber’s Viking Notes”). Pursuant to the purchase agreement, Viking is obligated to issue additional shares of Viking common stock to Camber to ensure that Camber shall own at least 51% of the common stock of Viking through July 1, 2022.

In connection with Camber’s Investment, the Company and Viking terminated their previous merger agreement, dated August 31, 2020, as amended, and the Company assigned its membership interests in one of Viking’s subsidiaries, Elysium Energy Holdings, LLC, to Viking. Also in connection with Camber’s Acquisition, effective December 23, 2020, the Company (i) borrowed $12,000,000 from an institutional investor; (ii) issued the investor a promissory note in the principal amount of $12,000,000, accruing interest at the rate of 10% per annum and maturing December 11, 2022 (the “Camber Investor Note”); (iii) granted the Investor a first-priority security interest in Camber’s Viking Shares and Camber’s other assets pursuant to a pledge agreement and a general security agreement, respectively; and (iv) entered into an amendment to the Company’s $6,000,000 promissory note previously issued to the investor dated December 11, 2020 (the “Additional Camber Investor Note”), amending the acceleration provision of the note to provide that the note repayment obligations would not accelerate if the Company increased its authorized capital stock by March 11, 2021 (and the Company increased its authorized capital stock in February 2021 as required). In order to close Camber’s Investment, effective December 23, 2020, Viking entered into a Guaranty Agreement, guaranteeing repayment of the Camber Investor Note and the Additional Camber Investor Note.

On December 23, 2020, the Camber Investor Note was funded, and the Company and Viking closed Camber’s Investment, with the Company paying the Cash Purchase Price to Viking and cancelling Camber’s Viking Notes, as additional consideration. In exchange, Viking issued 26,274,510 shares of its common stock to Camber, representing 51% of Viking’s total outstanding common shares, the Viking Shares. At the closing, James Doris and Frank Barker, Jr., Viking’s CEO and CFO, were appointed the CEO and CFO of Camber, and Mr. Doris was appointed a member of the Board of Directors of Camber.

Extinguishment of $18.9 million promissory note

On January 8, 2021, the Company entered into another purchase agreement with Viking pursuant to which the Company agreed to acquire an additional 16,153,846 shares of Viking common stock (the “Shares”) in consideration of (i) the Company issuing 1,890 shares of Camber’s Series C Redeemable Convertible Preferred Stock to EMC Capital Partners, LLC (“EMC”), one of the Viking’s lenders which held a secured promissory note issued by Viking to EMC in the original principal amount of $20,869,218 in connection with the purchase of oil and gas assets on or about February 3, 2020 (the “EMC Note”); and (ii) EMC considering the EMC Note paid in full and cancelled pursuant to the Cancellation Agreement described below.

Simultaneously, on January 8, 2021, Viking entered into a Cancellation Agreement with EMC (the “Cancellation Agreement”) pursuant to which Viking agreed to pay $325,000 to EMC, and EMC agreed to cancel and terminate in the EMC Note and all other liabilities, claims, amounts owing and other obligations under the Note. At the same time, the Company entered into a purchase agreement with EMC pursuant to which (i) the Company agreed to issue 1,890 shares of Camber’s Series C Redeemable Convertible Preferred Stock to EMC, and (ii) EMC agreed to enter into the Cancellation Agreement with Viking to cancel the EMC Note.

February 2021 Merger Agreement with Viking

On February 15, 2021, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Viking. The Merger Agreement provides that, upon the terms and subject to the conditions set forth therein, a newly-formed wholly-owned subsidiary of Camber (“Merger Sub”) will merge with and into Viking (the “Merger”), with Viking surviving the Merger as a wholly-owned subsidiary of the Company.

Pursuant to the Merger Agreement, at the effective time of the Merger (the "Effective Time"), each share: (i) of common stock, of Viking (the "Viking Common Stock") issued and outstanding immediately prior to the Effective Time, other than shares owned by Camber, Viking and Merger Sub, will be converted into the right to receive one share of common stock of the Company; and (ii) of Series C Convertible Preferred Stock of Viking (the "Viking Preferred Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of Series A Convertible Preferred Stock of the Company (the "Camber Series A Preferred Stock"). Each share of Camber Series A Preferred Stock will convert into 890 shares of common stock of Camber (subject to a beneficial ownership limitation preventing conversion into Camber common stock if the holder would be deemed to beneficially own more than 9.99% of the Company's common stock), will be treated equally with the Company's common stock with respect to dividends and liquidation, and will only have voting rights with respect to voting: (a) on a proposal to increase or reduce the Company's share capital; (b) on a resolution to approve the terms of a buy-back agreement; (c) on a proposal to wind up Camber; (d) on a proposal for the disposal of all or substantially all of Camber's property, business and undertaking; (f) during the winding-up of Camber; and/or (g) with respect to a proposed merger or consolidation in which Camber is a party or a subsidiary of Camber is a party. Holders of Viking Common Stock and Viking Preferred Stock will have any fractional shares of Camber common stock or preferred stock after the Merger rounded up to the nearest whole share.

At the Effective Time, each outstanding Viking equity award, will be converted into the right to receive the merger consideration in respect of each share of Viking Common Stock underlying such equity award and, in the case of Viking stock options, be converted into vested Camber stock options based on the merger exchange ratio calculated as provided above (the "Exchange Ratio").

The Merger Agreement provides, among other things, that effective as of the Effective Time, James A. Doris, the current Chief Executive Officer of both the Company and Viking, shall continue to serve as President and Chief Executive Officer following the Effective Time. The Merger Agreement provides that, as of the Effective Time, the Combined Company will have its headquarters in Houston, Texas.

The Merger Agreement also provides that, during the period from the date of the Merger Agreement until the Effective Time, each of Viking and the Company will be subject to certain restrictions on its ability to solicit alternative acquisition proposals from third parties, to provide non-public information to third parties and to engage in discussions with third parties regarding alternative acquisition proposals, subject to customary exceptions. Viking is required to hold a meeting of its stockholders to vote upon the adoption of the Merger Agreement and, subject to certain exceptions, to recommend that its stockholders vote to adopt the Merger Agreement. The Company is required to hold a meeting of its stockholders to approve the issuance of Viking Common Stock and Viking Preferred Stock in connection with the Merger (the "Merger Share Issuances").

The completion of the Merger is subject to customary conditions, including (i) adoption of the Merger Agreement by the Company's stockholders and approval of the Merger Share Issuances by the Company's stockholders, (ii) receipt of required regulatory approvals, (iii) effectiveness of a registration statement on Form S-4 for the Company's common stock to be issued in the Merger (the " Form S-4"), and (iv) the absence of any law, order, injunction, decree or other legal restraint preventing the completion of the Merger or making the completion of the Merger illegal. Each party's obligation to complete the Merger is also subject to certain additional customary conditions, including (i) subject to certain exceptions, the accuracy of the representations and warranties of the other party, (ii) subject to certain exceptions, performance by the other party of its obligations under the Merger Agreement, and (iii) the absence of any material adverse effect on the other party, as defined in the Merger Agreement.

Additional closing conditions to the Merger include that in the event the NYSE American determines that the Merger constitutes, or will constitute, a "back-door listing" or "reverse merger", the Company (and its common stock) would be required to qualify for initial listing on the NYSE American, pursuant to the applicable guidance and requirements of the NYSE as of the Effective Time.

The Merger Agreement can be terminated (i) at any time with the mutual consent of the parties; (ii) by either the Company or Viking if any governmental consent or approval required for closing is not obtained, or any governmental entity issues a final non-appealable order or similar decree preventing the Merger; (iii) by either Company or Viking if the Merger shall not have been consummated on or before August 1, 2021; (iv) by the Company or Viking, upon the breach by the other of a term of the Merger, which is not cured within 30 days of the date of written notice thereof by the other; (v) by Company or Viking is unable to obtain the affirmative vote of its stockholders for approval of the Merger; (vi) by Viking if Company is unable to obtain the affirmative vote of its stockholders required pursuant to the terms of the Merger Agreement; and (vii) by Company or Viking if there is a willful breach of the Merger Agreement by the other party thereto.

The Merger Agreement contains customary indemnification obligations of the parties and representations and warranties.

As of the date hereof, neither Viking nor Camber has advised of its intention to terminate the Merger Agreement.

July, 2021 Transaction

On July 29, 2021, the Company entered into a Securities Purchase Agreement with Viking to acquire an additional 27,500,000 shares of Viking common stock for an aggregate purchase price of $11,000,000.

Accounting for the Viking Investment

As noted above, in accordance with the terms of the Viking Investment, Mr. James A. Doris became the President and Chief Executive Officer of the Company, resulting in Mr. Doris being the President and Chief Executive Officer of each of the Company and Viking. Mr. Doris does not own any shares of the Company but he owns or controls shares of Series C Preferred Stock of Viking with significant voting rights. Such voting rights were suspended until July 1, 2022 or if Mr. Doris were no longer the Chief Executive Officer of the Company. The Company has determined that it has the ability to exercise significant influence over the operations and policies of Viking, but not control of Viking given the voting rights associated with Mr. Doris' Series C Preferred Stock. Consequently, the Company accounts for the Viking Investment under the equity method.

NOTE 2 – ORGANIZATION AND OPERATIONS OF THE COMPANY

Camber is an independent oil and natural gas company engaged in the acquisition, development, and sale of crude oil, natural gas, and natural gas liquids from various known productive geological formations in Louisiana and Texas. Through the recent acquisitions, the Company owns approximately 72% of the outstanding common stock of Viking. Through the Company's planned merger with Viking, the Company will continue to be engaged in the acquisition, exploration, development and production of oil and natural gas properties, both individually and through collaborative partnerships with other companies in this field of endeavor.

A novel strain of coronavirus ("COVID-19") was first identified in December 2019, and subsequently declared a global pandemic by the World Health Organization on March 11, 2020. As a result of the outbreak, many companies have experienced disruptions in their operations, workforce and markets served, including a significant reduction in the demand for petroleum-based products. The market for the Company's oil and gas assets began being adversely impacted by the effects of COVID-19 in March of 2020 when circumstances surrounding, and responses to, the pandemic, including stay-at-home orders, began to materialize in North America. Due to the Company's limited oil and gas production and the fact that all of the Company's current properties are non-operated, the Company has yet to experience a significant adverse impact from COVID-19. However, the full extent of the COVID-19 outbreak and changes in demand for oil and the impact on the Company's operations is uncertain. A prolonged disruption could have a material adverse impact on the financial results, assets (including requiring write-downs or impairments), and business operations of the Company.

NOTE 3 – LIQUIDITY AND GOING CONCERN CONSIDERATIONS

The Company's consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company generated a net loss of $169.7 million for the year ended December 31, 2021 (the "2021 Loss") as compared to a net loss of $52.0 million for the nine-month period ended December 31, 2020. The 2021 Loss was comprised of certain non-cash items with a net impact of $163.8 million including: (i) a loss on changes in fair value of the derivative liability relating to the Series C Preferred Stock of $152.8 million; (ii) equity in loss of unconsolidated entity of $9.4 million (iii) and share based compensation of $1.6 million.

As of December 31, 2021, the Company had stockholders' deficit of $71.8 million and total long-term debt of $21.5 million.

As of December 31, 2021, the Company has a working capital deficiency of approximately $90.7 million. The largest components of current liabilities creating this working capital deficiency was a derivative liability associated with our Series C Preferred Stock of $ 93.1 million.

Management believes it will be able to continue to leverage the expertise and relationships of its operational and technical teams to enhance existing assets and identify new development, drilling and acquisition opportunities in order to improve the Company's financial position. The Company may have the ability, if it can raise additional capital, to acquire new assets in a separate division from existing subsidiaries.

Nonetheless, recent oil and gas price volatility as a result of geopolitical conditions and the global COVID-19 pandemic have already had and may continue to have a negative impact on the Company's financial position and results of operations. Negative impacts could include but are not limited to: The Company's ability to sell [its] oil and gas production, reduction in the selling price of the Company's oil and gas, failure of a counterparty to make required hedge payments, possible disruption of production as a result of worker illness or mandated production shutdowns, the Company's ability to maintain compliance with loan covenants and/or refinance existing indebtedness, and access to new capital and financing.

These conditions raise substantial doubt regarding the Company's ability to continue as a going concern for the twelve months following the issuance of its financial statements for the year ended December 31, 2021. The Company's ability to continue as a going concern is dependent upon its ability to utilize the resources in place to generate future profitable operations, to develop additional acquisition opportunities, and to obtain the necessary financing to meet its debt obligations and repay its liabilities arising from business operations when they come due. Management believes the Company will be able to continue to develop new opportunities and will be able to obtain additional funds through debt and / or equity financings to facilitate its development strategy; however, there is no assurance of additional funding being available. These consolidated financial statements do not include any adjustments to the recorded assets or liabilities that might be necessary should the Company have to curtail operations or be unable to continue in existence.

During April 2021 the Company borrowed $2,500,000 from an Institutional Investor, and in July 2021 the Company sold 1,575 shares of Series C Preferred Stock to Antilles for s $15 million for working capital and new acquisitions.

Management believes it will be able to continue to service its debt obligations, and obtain the financial resources to accomplish these objectives through both debt and equity raises as evidenced by historical results as well as those achieved after the current balance sheet date.

Although the Company has been successful in obtaining the financial resources in the past, these conditions continue to raise substantial doubt regarding the Company's ability to continue as a going concern. Therefore, the Company believes it appropriate to continue to include a going concern qualification in its financial statements.

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NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation

The accompanying consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") for consolidated financial information and with the instructions to Form 10-K as promulgated by the Securities and Exchange Commission (the "SEC"). Accordingly, these consolidated financial statements include all of the disclosures required by generally accepted accounting principles for complete consolidated financial statements.

b) Basis of Consolidation

The financial statements presented herein reflect the consolidated financial results of the Company, its wholly owned subsidiaries, Camber Permian LLC, a Texas limited liability company, CE Operating, LLC, an Oklahoma limited liability company, C E Energy LLC, a Texas limited liability company, which was assigned to PetroGlobe in July 2020 as discussed below under "Note 11 – Commitments and Contingencies" – "Legal Proceedings. All significant intercompany transactions and balances have been eliminated. The Compnay's investment in Viking is accounted for under the equity method.

c) Use of Estimates in the Preparation of Financial Statements

The preparation of consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts and timing of revenues and expenses, the reported amounts and classification of assets and liabilities, and disclosure of contingent assets and liabilities. Significant areas requiring the use of management estimates relate to fair value of derivative liabilities, impairment of long-lived assets, fair value of commodity derivatives, stock-based compensation, asset retirement obligations, and the determination of expected tax rates for future income tax recoveries.

The estimates of proved, probable and possible oil and gas reserves are used as significant inputs in determining the depletion of oil and gas properties and the impairment of proved and unproved oil and gas properties. There are numerous uncertainties inherent in the estimation of quantities of proved, probable and possible reserves and in the projection of future rates of production and the timing of development expenditures. Similarly, evaluations for impairment of proved and unproved oil and gas properties are subject to numerous uncertainties including, among others, estimates of future recoverable reserves and commodity price outlooks. Actual results could differ from the estimates and assumptions utilized.

d) Financial Instruments

Accounting Standards Codification, “ASC” Topic 820-10, “Fair Value Measurement” requires disclosure of the fair value of financial instruments held by the Company. ASC Topic 820-10, defines fair value, and establishes a three-level valuation hierarchy for disclosures of fair value measurement that enhances disclosure requirements for fair value measurement. The carrying amounts reported in the consolidated balance sheets for deposits, accrued expenses and other current liabilities, accounts payable, derivative liabilities, amount due to director, and convertible notes each qualify as financial instruments and are a reasonable estimate of their fair values because of the short period of time between the origination of such instruments and their expected realization and their current market rate of interest. The three levels of valuation hierarchy are defined as follows:

- Level 1: inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3: inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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Assets and liabilities measured at fair value as of and for the year ended December 31, 2021 are classified below based on the three fair value hierarchy described above:

Description	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Gains (Losses)**
Financial liabilities				
Derivative liability - Series C preferred Stock			93,108,568	(152,831,568)
Derivative liability- Series G Preferred Stock			--	--
	$ -	$ -	$ 93,108,568	($152,831,568)

e) Cash and Cash Equivalents

Cash and cash equivalents include cash in banks and financial instruments which mature within three months of the date of purchase. The Company maintains cash and cash equivalents in bank deposit accounts, which at times may exceed federally insured limits of $250,000. At December 31, 2021 and 2020, the Company’s cash in excess of the federally insured limit was $5,604,382 and $ 618,548, respectively. Historically, the Company has not experienced any losses in such accounts. The Company had no cash equivalents at December 31, 2021 or 2020, respectively.

f) Accounts Receivable

Accounts receivable, net, include amounts due for oil and gas revenues from prior month production. At December 31, 2021 and 2020 there were no allowances for doubtful accounts.

g) Notes Receivable

Notes receivable include amounts due to the Company pursuant to financial agreements stipulating interest rates, payment terms and maturity dates. As of December 31, 2021 and 2020, Note's receivable balances included two notes due from Lineal in the amounts of $1,539,719 and $800,000, respectively, net of reserves of $2,339,719, which amount was recognized as bad debt expense for the nine months ended December 31, 2020.

h) Investment in Unconsolidated Entities

The Company accounts for its investment in unconsolidated entities under the equity method of accounting when it does not own a controlling financial interest and it has the ability to exercise significant influence over the operating and financial policies of the entity. The Company accounts for its investments in Viking and Elysium (until the Company's Elysium interest was assigned to Viking on December 23, 2020) under the equity method. Under the equity method, the investment is initially recorded at cost and the investment is reduced for dividends or distributions it receives and increased or decreased for its proportionate share of earnings or losses of the entity.

We assess the potential for other-than-temporary impairment of our equity method investments when impairment indicators are identified. We consider all available information, including the recoverability of the investment, the earnings and near-term prospects of the affiliate, factors related to the industry, conditions of the affiliate, and our ability, if any, to influence the management of the affiliate. We assess fair value based on valuation methodologies, as appropriate, including the present value of estimated future cash flows, estimates of sales proceeds, and external appraisals. If an investment is considered to be impaired and the decline in value is other than temporary, we record an appropriate write-down.

i) Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over their useful lives. Amortization of the equipment under capital leases related to the Lineal operations was computed using the straight-line method over lives ranging from 3 to 5 years and is included in depreciation expense. Costs of maintenance and repairs were charged to expense when incurred.

Long-lived assets including intangible assets are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the assets carrying amount to determine if an impairment of such asset is necessary. This evaluation, as well as an evaluation of our intangible assets, requires the Company to make long-term forecasts of the future revenues and costs related to the assets subject to review. Forecasts require assumptions about demand for the Company's services and future market conditions. Estimating future cash flows requires significant judgment, and the Company's projections may vary from the cash flows eventually realized. Future events and unanticipated changes to assumptions could require a provision for impairment in a future period. The effect of any impairment would be to expense the difference between the fair value (less selling costs) of such asset and its carrying value. Such expense would be reflected in earnings. No impairments were deemed necessary for the year ended December 31, 2021 and the nine months ended December 31, 2020.

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j) Acquisitions

Accounting Standards Update (ASU) 2017-01, *Clarifying the Definition of a Business* (ASU 2017-01) provides a screen test to determine when a set of assets and activities should not be considered a business. Under ASU 2017-01, the Company will perform an initial screening test as of the acquisition date that, if met, results in the conclusion that the set is not a business. If the initial screening test is not met, the Company evaluates whether the set is a business based on whether there are inputs and a substantive process in place. The definition of a business impacts whether the Company consolidates an acquisition under business combination guidance or asset acquisition guidance.

k) Limitation on Capitalized Costs

Under the full-cost method of accounting, we are required, at the end of each reporting date, to perform a test to determine the limit on the book value of our oil and natural gas properties (the "Ceiling" test). If the capitalized costs of our oil and natural gas properties, net of accumulated amortization and related deferred income taxes, exceed the Ceiling, this excess or impairment is charged to expense. The expense may not be reversed in future periods, even though higher oil and natural gas prices may subsequently increase the Ceiling. The Ceiling is defined as the sum of:

(a) the present value, discounted at 10 percent, and assuming continuation of existing economic conditions, of 1) estimated future gross revenues from proved reserves, which is computed using oil and natural gas prices determined as the unweighted arithmetic average of the first-day-of-the-month price for each month within the 12-month hedging arrangements pursuant to SAB 103, less 2) estimated future expenditures (based on current costs) to be incurred in developing and producing the proved reserves, plus

(b) the cost of properties not being amortized; plus

(c) the lower of cost or estimated fair value of unproven properties included in the costs being amortized, net of

(d) the related tax effects related to the difference between the book and tax basis of our oil and natural gas properties.

No impairment expense was recorded for the year ended December 31, 2021 and the nine months ended December 31, 2020.

l) Oil and Gas Properties

The Company uses the full cost method of accounting for its investment in oil and natural gas properties. Under this method of accounting, all costs associated with acquisition, exploration and development of oil and gas reserves, including directly related overhead costs, are capitalized. General and administrative costs related to production and general overhead are expensed as incurred.

All capitalized costs of oil and gas properties, including the estimated future costs to develop proved reserves, are amortized on the unit of production method using estimates of proved reserves. Disposition of oil and gas properties are accounted for as a reduction of capitalized costs, with no gain or loss recognized unless such adjustment would significantly alter the relationship between capitalized costs and proved reserves of oil and gas, in which case the gain or loss is recognized in operations. Unproved properties and major development projects are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is included in loss from operations before income taxes.

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m) Oil and Gas Reserves

Reserve engineering is a subjective process that is dependent upon the quality of available data and the interpretation thereof, including evaluations and extrapolations of well flow rates and reservoir pressure. Estimates by different engineers often vary sometimes significantly. In addition, physical factors such as the results of drilling, testing and production subsequent to the date of an estimate, as well as economic factors such as changes in product prices, may justify revision of such estimates. Because proved reserves are required to be estimated using recent prices of the evaluation, estimated reserve quantities can be significantly impacted by changes in product prices.

n) Income (loss) per Share

Basic and diluted income (loss) per share calculations are calculated on the basis of the weighted average number of shares of the Company's common stock outstanding during the year. Diluted earnings per share give effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted earnings per share, the average stock price for the period is used to determine the number of shares assumed to be purchased from the exercise price of the options and warrants. Purchases of treasury stock reduce the outstanding shares commencing on the date that the stock is purchased. Common stock equivalents are excluded from the calculation when a loss is incurred as their effect would be anti-dilutive.

o) Revenue Recognition

Sales of crude oil, natural gas, and natural gas liquids ("NGLs") are included in revenue when production is sold to a customer in fulfillment of performance obligations under the terms of agreed contracts. Performance obligations primarily comprise delivery of oil, gas, or NGLs at a delivery point, as negotiated within each contract. Each barrel of oil, million BTU ("MMBtu") of natural gas, or other unit of measure is separately identifiable and represents a distinct performance obligation to which the transaction price is allocated. Performance obligations are satisfied at a point in time once control of the product has been transferred to the customer. The Company considers a variety of facts and circumstances in assessing the point of control transfer, including but not limited to: whether the purchaser can direct the use of the hydrocarbons, the transfer of significant risks and rewards, the Company's right to payment, and transfer of legal title. In each case, the time between delivery and when payments are due is not significant.

p) Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, the Company determines deferred tax assets and liabilities on the basis of the differences between the consolidated financial statements and the tax basis of assets and liabilities by using estimated tax rates for the year in which the differences are expected to reverse.

The Company recognizes deferred tax assets and liabilities to the extent that we believe that these assets and/or liabilities are more likely than not to be realized. In making such a determination, we consider all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies, and results of recent operations. If we determine that the Company would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

In assessing the realizability of its deferred tax assets, management evaluated whether it is more likely than not that some portion, or all of its deferred tax assets, will be realized. The realization of its deferred tax assets relates directly to the Company's ability to generate taxable income. The valuation allowance is then adjusted accordingly.

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The Company recognizes the benefits, if any, of uncertain tax positions taken or expected to be taken in tax returns in the provision for income taxes only for those positions that are more likely than not to be realized. The Company follows a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon ultimate settlement. The Company considers many factors when evaluating and estimating tax positions and tax benefits, which may require periodic adjustments and which may not accurately forecast actual outcomes. The Company's policy is to include interest and penalties associated with income tax obligations in income tax expense.

q) Stock-Based Compensation

The Company may issue stock options to employees and stock options or warrants to non-employees in non-capital raising transactions for services and for financing costs. The cost of stock options and warrants issued to employees and non-employees is measured on the grant date based on the fair value. The fair value is determined using the Black-Scholes option pricing model. The resulting amount is charged to expense on the straight-line basis over the period in which the Company expects to receive the benefit, which is generally the vesting period.

The fair value of stock options and warrants is determined at the date of grant using the Black-Scholes option pricing model. The Black-Scholes option model requires management to make various estimates and assumptions, including expected term, expected volatility, risk-free rate, and dividend yield. The expected term represents the period of time that stock-based compensation awards granted are expected to be outstanding and is estimated based on considerations including the vesting period, contractual term and anticipated employee exercise patterns. Expected volatility is based on the historical volatility of the Company's stock. The risk-free rate is based on the U.S. Treasury yield curve in relation to the contractual life of stock-based compensation instrument. The dividend yield assumption is based on historical patterns and future expectations for the Company dividends.

r) Derivative Liabilities

The Series C Preferred Stock and Series G preferred stock contain provisions that could result in modification of the conversion price that is based on a variable that is not an input to the fair value of a "fixed-for-fixed" option as defined under FASB ASC Topic No. 815 - 40.

The Series C Preferred Stock are convertible into shares of common stock at a fixed $3.25 conversion rate. Upon conversion, the holder is entitled to dividends as if the shares had been held to maturity, which is referred to as the Conversion Premium. The Conversion Premium may be paid in shares or cash, at the option of the Company. If the Conversion Premium is paid in cash, the amount is fixed and not subject to adjustment. If the Conversion Premium is paid in shares, the conversion ratio is based on a VWAP calculation based on the lowest stock price over the Measurement Period. The Measurement Period is 30 days (or 60 days if there is a Triggering Event) prior to the conversion date and 30 days (or 60 days if there is a Triggering Event) after the conversion date. The VWAP calculation is subject to adjustment if there is a Triggering Event and the Measurement Period is subject to adjustment in the event that the Company is in default of one or more Equity Conditions provided in the Certificate of Designation. For example, the Measurement period may be extended one day for every day the Company is not in compliance with one or more of the Equity Conditions. Trigger events are described in the designation of the Series C Preferred Stock, but include items which would typically be events of default under a debt security, including filing of reports late with the SEC.

At the conversion date, the number of shares due for the Conversion Premium is estimated based on the previous 30-day VWAP. If the Company does not elect to pay the Conversion Premium in cash, the Company will issue all shares due for the conversion and the estimated shares due for the conversion premium. If the VWAP calculation for the portion of the Measurement Period following the date of conversion is lower than the VWAP for the portion of the Measurement Period prior to the date of conversion, the holder will be issued additional common shares, referred to as "true-up" shares. If the VWAP calculation is higher, no true-up shares are issued.

The derivative liability at the end of each period includes a derivative liability for the outstanding Series C shares and a derivative liability for the potential obligation to issue True-Up Shares relating to Series C shares that have been converted and the Measurement Period has not expired, if applicable

The fair value of the derivative liability relating to the Conversion Premium for any outstanding Series C Shares is equal to the cash required to settle the Conversion Premium. The fair value of the potential true-up share obligation has been estimated using a binomial pricing mode and the lesser of the conversion price or the low closing price of the Company's stock subsequent to the conversion date. and the historical volatility of the Company's common stock.

The Series G Convertible Preferred stock is redeemable or convertible into a variable number of common shares, at the option of the Company. The conversion rate is determined at the time of conversion using a VWAP calculation similar to the Series C Stock described above. As a result, the Series G Preferred Stock contains an embedded derivative that is required to be recorded at fair value. The Company has determined that the fair value of the embedded derivative as of December 31, 2021 is negligible due to the restrictions on conversion. The embedded derivative associated with the Series G Stock is marked to market at each reporting date with changes in fair value recorded in income.

s) Impairment of Long-Lived Assets

The Company is required to review its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable through the estimated undiscounted cash flows expected to result from the use and eventual disposition of the assets. Whenever any such impairment exists, an impairment loss will be recognized for the amount by which the carrying value exceeds the fair value.

Assets are grouped and evaluated at the lowest level for their identifiable cash flows that are largely independent of the cash flows of other groups of assets. The Company considers historical performance and future estimated results in its evaluation of potential impairment and then compares the carrying amount of the asset to the future estimated cash flows expected to result from the use of the asset. If the carrying amount of the asset exceeds estimated expected undiscounted future cash flows, the Company measures the amount of impairment by comparing the carrying amount of the asset to its fair value. The estimation of fair value is generally determined by using the asset's expected future discounted cash flows or market value. The Company estimates fair value of the assets based on certain assumptions such as budgets, internal projections, and other available information as considered necessary. There is no impairment of long-lived assets during the year ended December 31, 2021 and the nine months ended December 31, 2020.

w) Accounting for Asset Retirement Obligations

Asset retirement obligations ("ARO") primarily represent the estimated present value of the amount the Company will incur to plug, abandon and remediate its producing properties at the projected end of their productive lives, in accordance with applicable federal, state and local laws. The Company determined its ARO by calculating the present value of estimated cash flows related to the obligation. The retirement obligation is recorded as a liability at its estimated present value as of the obligation's inception, with an offsetting increase to proved properties.

z) Subsequent events

The Company has evaluated all subsequent events from December 31, 2021 through the date of filing of this report.

NOTE 5 – OIL AND GAS PROPERTIES

Camber uses the full cost method of accounting for oil and natural gas producing activities. Costs to acquire mineral interests in oil and natural gas properties, to drill and equip exploratory wells used to find proved reserves, and to drill and equip development wells including directly related overhead costs and related asset retirement costs are capitalized.

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Under this method, all costs, including internal costs directly related to acquisition, exploration and development activities are capitalized as oil and natural gas property costs on a country-by-country basis. Costs not subject to amortization consist of unproved properties that are evaluated on a property-by-property basis. Amortization of these unproved property costs begins when the properties become proved or their values become impaired. Camber assesses overall values of unproved properties, if any, on at least an annual basis or when there has been an indication that impairment in value may have occurred. Impairment of unproved properties is assessed based on management's intention with regard to future development of individually significant properties and the ability of Camber to obtain funds to finance its programs. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is added to the capitalized costs to be amortized.

Sales of oil and natural gas properties are accounted for as adjustments to the net full cost pool with no gain or loss recognized, unless the adjustment would significantly alter the relationship between capitalized costs and proved reserves. If it is determined that the relationship is significantly altered, the corresponding gain or loss will be recognized in the statements of operations.

Impairments

For the year ended December 31, 2021 and the nine months ended December 31, 2020, the Company recorded $0 and $0 of impairments of its oil and gas properties, respectively.

NOTE 6 – NOTES RECEIVABLE

Due to the impact of COVID-19 on its operations, Lineal notified the Company that it currently has insufficient liquidity to make scheduled interest payments due under the notes. The Company is in negotiations with Lineal to restructure the notes receivable and an allowance has been applied to the full principal and accrued interest of these notes as of December 31, 2021 and 2020.

The following table summarizes the Lineal notes receivable as of December 31, 2021 and 2020:

	December 31,	
	2021	**2020**
Note receivable from Lineal Star Holdings, LLC pursuant to a Promissory Note dated effective December 31, 2019, in the original principal amount of $1,539,719, accruing annual interest of 10.5%, due quarterly beginning on March 31, 2020, maturing December 31, 2021. The Company has ceased recording accrued but unpaid interest, and has reserved the full balance of the note as of December 31, 2021 and 2020. See also "Note 13 – Lineal Merger Agreement and Divestiture".	1,539,719	1,539,719

Note receivable from Lineal Star Holdings, LLC pursuant to a Promissory Note No. 2 dated effective December 31, 2019, in the original principal amount of $800,000, accruing annual interest of 8%, due quarterly beginning on March 31, 2020, maturing December 31, 2021. The Company has ceased recording accrued but unpaid interest, and has reserved the full balance of the note as of December 31, 2021 and 2020. See also "Note 13 – Lineal Merger Agreement and Divestiture".	800,000	800,000
Total notes receivable	2,339,719	2,339,719
Less: allowance for doubtful collection	(2,339,719)	(2,339,719)
Total notes receivable - net	$ -	$ -

NOTE 7– INVESTMENT IN UNCONSOLIDATED ENTITY'S

The Company accounts for its investments in Viking and Elysium (until the Company's Elysium interest was assigned to Viking on December 23, 2020) under the equity method. The Company owns 0% of Elysium as of December 31, 2021 and 2020, respectively (25% from February 3, 2020 to June 25, 2020, 30% from June 26, 2020 to December 23, 2020, and 0% upon the completion of the Company's acquisition of 51% of Viking as explained in Note 1 – Relationship with and Ownership of Viking Energy Group, Inc.

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Table below shows the changes in the investment in unconsolidated entities for the year ended December 31, 2020 and the nine months ended December 31, 2020, respectively:

	December 31, 2021	December 31, 2020
Carrying amount at beginning of year	$ 15,830,538	$ 957,169
Investment in Elysium	—	—
Proportionate share of Elysium earnings (loss)	-	(2,953,680)
Investment in Viking	29,900,000	20,274,909
Proportionate share of Viking earnings (loss)	(9,430,946)	(2,447,860)
Carrying amount at end of year	**$ 36,299,592**	**$ 15,830,538**

NOTE 8 – ASSET RETIREMENT OBLIGATIONS

The following table presents the reconciliation of the beginning and ending aggregate carrying amounts of long-term obligations associated with the future retirement of oil and natural gas properties for the year ended December 31, 2021 and the nine months ended December 31, 2020 respectively.

	December 31, 2021	December 31, 2020
Carrying amount at beginning of year	$ 46,748	$ 71,150
Accretion	6,307	5,825
Dispositions	-	(30,227)
Carrying amount at end of year	**$ 53,055**	**$ 46,748**

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NOTE 9 – LONG-TERM DEBT AND OTHER SHORT-TERM BORROWINGS

Long term debt and other short-term borrowings consisted of the following at December 31, 2021 and 2020:

	December 31,	
	2021	2020
Note payable to Discover Growth Fund, LLC pursuant to a 10.0% Secured Promissory Note dated December 11, 2020 in the original amount of $6,000,000 with interest and principal due at maturity on January 1, 2027. The Note is secured by lien on substantially all of the Company’s assets.	$ 6,000,000	$ 6,000,000
Note payable to Discover Growth Fund, LLC, pursuant to a 10.0% Secured Promissory Note dated December 22, 2020 in the original amount of $12,000,000 with interest and principal due at maturity on January 1, 2027. The Note is secured by first lien on the Company’s ownership in Viking.	12,000,000	12,000,000
Note payable to Discover Growth Fund, LLC pursuant to a 10.0% Secured Promissory Note dated April 23, 2021 in the original amount of $2,500,000 with interest and principal due at maturity on January 1, 2027. The Note is secured by lien on substantially all of the Company’s assets.	2,500,000	-
Note payable to Discover Growth Fund, LLC pursuant to a 10.0% Secured Promissory Note dated December 9, 2021 in the original amount of $1,000,000 with interest and principal due at maturity on March 8, 2022. The Note is secured by lien on substantially all of the Company’s assets. The note was paid in full on January 4, 2022.	1,000,000	-
Total long-term debt associated with Camber Energy, Inc.	21,500,000	18,000,000
Less current portion	-	-
	$ 21,500,000	$ 18,000,000

Principal maturities of long-term debt for the next five years and thereafter are as follows:

Twelve-month period ended December 31,

2022	$ 1,000,000
2023	-
2024	-
2025	-
2026	-
Thereafter	20,500,000
	$ 21,500,000

Interest expenses for the year ended December 31, 2021 and the nine months ended December 31, 2020 was $1,979,290 and $ 67,397, respectively.

The above notes were in default at various times, but have been resolved through settlement (see Note 15 Stockholders Deficit)

NOTE 10 – DERIVATIVE LIABILITIES

The Series C Preferred Stock are convertible into shares of common stock at a fixed $3.25 conversion rate. Upon conversion, the holder is entitled to dividends as if the shares had been held to maturity, which is referred to as the Conversion Premium. The Conversion Premium may be paid in shares or cash, at the option of the Company. If the Conversion Premium is paid in cash, the amount is fixed and not subject to adjustment. If the Conversion Premium is paid in shares, the conversion ratio is based on a volume weighted average stock price of the Company’s common stock (“VWAP”) calculation based on the lowest stock price over the Measurement Period. The conversion price is equal to 95% (85% following a Triggering Event) of the five lowest VWAPs over the Measurement Period, less $0.05 ($0.10 following a Triggering Event) per share. The Measurement Period is 30 days (or 60 days if there is a Triggering Event) prior to the conversion date and 30 days (or 60 days if there is a Triggering Event) after the conversion date . The VWAP calculation is subject to adjustment if there is a Triggering Event and the Measurement Period is subject to adjustment in the event that the Company is in default of one or more Equity Conditions provided in the Certificate of Designation. For example, the Measurement period may be extended one day for every day the Company is not in compliance with one or more of the Equity Conditions.

At the conversion date, the number of shares due for the Conversion Premium is estimated based on the previous 30-day VWAP. If the Company does not elect to pay the Conversion Premium in cash, the Company will issue all shares due for the conversion and the estimated shares due for the conversion premium. If the VWAP calculation for the portion of the Measurement Period following the date of conversion is lower than the VWAP for the portion of the Measurement Period prior to the date of conversion, the holder will be issued additional common shares, referred to as “true-up” shares. If the VWAP calculation is higher, no true-up shares are issued.

Our accounting treatment of the Series C Stock is described below:

Prior to April 20, 2021

Issuance of the Series C Stock

Upon issuance we determined that the Series C Stock included an embedded derivative and, because the conversion was generally outside the control of the Company, the Series C Stock were required to be recorded as temporary equity. Upon issuance of the Series C Stock, we determined the amount to be the allocated to the derivative liability to be the Conversion Premium, assuming a cash settlement and we determined the redemption value of the Series C Stock to be the fair value of the common shares issuable to satisfy the conversion of the Series C Stock. To the extent that consideration paid for the Series C Stock was less than the redemption value plus the derivative liability, we first allocated the consideration to the derivative liability and recorded the difference as a loss on derivative liability. The consideration received never exceeded the derivative liability. Consequently, no proceeds were allocated to the redemption value. The redemption value was recorded as temporary equity and a deemed dividend. The cash obligation required to satisfy the Conversion Premium, less cash received was recorded as a derivative liability.

Conversion of the Series C Stock

The Company receives notice of conversion from the holder with a calculation of the number of common shares required to be issued to satisfy the redemption value plus the Conversion Premium. The Company has never elected to satisfy the conversion premium in cash. The Company then issues the number of common shares determined by the holder using a VWAP calculation for the Measurement Period before the conversion date. The shares may be issued over time due to ownership limitations of the holder. Upon conversion of the Series C Stock, the Company reduces the derivative liability by the amount that was originally recorded for the number of Series C Stock converted. Any difference between the current fair value of the common shares issued to satisfy the conversion premium and the originally recorded derivative liability was recorded as a loss on derivative liability. Temporary equity is also reduced by the fair value the common shares issued to satisfy the redemption value (amounts recorded in temporary equity). Any difference is recorded as additional deemed dividend or an equity contribution.

The holder may be entitled to additional shares subsequent to the conversion date if the VWAP calculation for the portion of the Measurement Period following the date of conversion is lower than the VWAP for the portion of the Measurement Period prior to the date of conversion, referred to as “true-up” shares. If the VWAP calculation is higher, no true-up shares are issued.

Management has determined that the potential obligation to issue “true-up” shares under the Conversion Premium creates an additional derivative liability. The determination of the number of true-up shares due, if any, is based on the lowest VWAP calculation over the Measurement Period that extends beyond the conversion date. In addition, if the Company has not complied with certain provisions of the Certificate of Designation, the Measurement Period does not end until the Company is in compliance. The potential obligation to issue true-up shares after the conversion date is a derivative liability.

The derivative liability for the True-Up Shares at the end of each period represents Series C Stock conversions in respect of which the Measurement Period had not expired as of the period end. The fair value of the derivative liability has been estimated using a binomial pricing model, the estimated remaining Measurement Period, the share price and the historical volatility of the Company’s common stock.

Adjustments to the Carrying value of the Series C Stock and the Derivative Liability

At each reporting period the Company determined the fair value of the common shares required to satisfy the redemption of the outstanding Series C Stock and recorded an additional deemed dividend or an equity contribution for any differences. The redemption Conversion Premium was assumed to be settled in cash because cash settlement is more favorable to the Company. The fair value of the common shares required to satisfy the redemption of the Series C Stock was determined generally using the closing share price of the Company’s stock as of the reporting date. The amount of cash required to settle the Conversion Premium was generally fixed at the time of issuance. Consequently, the fair value of the derivative liability relating to the cash obligation to satisfy the

Conversion Premium is generally unchanged until conversion.

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The cash required to settle the conversion premium was unchanged until the dividend rate of 24.95% was increased in accordance with the terms of the Series C Stock to 34.95% due to covenant violations. The increase in the conversion premium was recorded as an increase in the derivative liability and a loss on change in fair value of derivative liability.

The fair value of the derivative liability relating to the potential obligation to issue true-up shares is subject to adjustment as the Company's stock price changes. Such changes are recorded as changes in fair value of derivative liability.

April 20, 2021 Amendment to the Series C Stock COD

On April 20, 2021, the Company amended the Series C Stock certificate of designation (COD) to require all conversions to be in common shares, thus removing the cash option for redemption of the Conversion Premium. We determined that the amendment required reclassification of the Series C Stock recorded in temporary equity to be reclassified to permanent equity with no further quarterly adjustments.

Effect on derivative liability

We determined that the removal of the cash option for conversion of the Conversion Premium changed the cash redemption assumption to assume, in all cases, share redemption. Therefore, the derivative liability is required to be recorded at the fair value of the equivalent number of common shares issuable to satisfy the Conversion Premium. We recorded an adjustment to derivative liability and loss on derivative on April 20, 2021 and we will record changes in fair value of the derivative liability each quarter thereafter as long as any Series C Stock are outstanding. We estimated the fair value of the derivative liability for the outstanding Series C Stock Conversion Premium using the period end number of shares required to satisfy the Conversion Premium at the period end closing share price of the Company's common stock, except as noted below.

Limitations on using the closing price of the Company's common stock to determine fair value

The Company is a smaller reporting company and is traded on the NYSE American exchange. Historically, our stock price has been extremely volatile and subject to large and sometimes unexplained price variations on a daily or weekly basis. In addition, the Company declared four reverse stock splits in 2018 and 2019 and the Company's common stock generally trades at less than $1.00 per share. These factors have exacerbated daily volatility of our stock price. Consequently, we believe that the closing price of our stock on the reporting date may not, in all cases, represent the fair value of the common share required to satisfy the redemption of the Series C Stock. Recognizing that the closing share price of our publicly traded stock is an observable input to fair value, we used such price for determining fair value in most cases and only considered an alternative measure of fair value when the closing price of the Company's common stock varied by more than 20% from the five-day moving average immediately prior to the measurement date. In such cases, we used an average closing price of the previous 30-day period as an estimate of fair value, adjusted for stock splits if applicable. In addition, conversion of the Series C shares require a significant number of common shares to be issued in relation to the total number of shares outstanding. We do not believe that the market price of the Company's common stock appropriately reflects the potential for significant dilution caused by a large conversion and may not be representative of market value. In cases where the number of common shares required to satisfy a conversion of the Series C shares into common stock was significant in relation to the total number of shares outstanding (approximately 30% or greater) we determined the fair value of the embedded features based on the historical market capitalization of the Company.

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Activities for derivative Series C Preferred Stock derivative liability during the year ended December 31, 2021 and the nine months ended December 31, 2020 were as follows:

	2021	2020
Carrying amount at beginning of period	$ 93,981,234	$ 77,636,666

Issued Series C preferred shares	46,238,850	15,412,950
Change in fair value	152,831,568	41,878,821
Settlement of Obligation (issuance of common shares)	(199,943,084)	(40,947,203)
Carrying amount at end of period	$ 93,108,568	$ 93,981,234

The fair value of the derivative liability has been estimated using a binomial model and the historical volatility of the Company's common stock as of the date of conversion.

The Series G Preferred Shares contain an embedded derivative similar to the Series C shares described above that is required to be recorded at fair value. The Company has determined that the fair value of the embedded conversion feature associated with the Series G Shares is negligible at December 31, 2021

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Legal Proceedings

From time to time suits and claims against Camber arise in the ordinary course of Camber's business, including contract disputes and title disputes.

Camber records reserves for contingencies when information available indicates that a loss is probable, and the amount of the loss can be reasonably estimated.

On October 29, 2021, a Class Action Complaint (i.e. C.A.No.4:21-cv-03574) was filed against the Company, its CEO and CFO by *Ronald E. Coggins, Individually and on Behalf of All Others Similarly Situated v. Camber Energy, Inc., et al.*; in the U.S. District Court for the Southern District of Texas, Houston Division, pursuant to which the Plaintiffs are seeking to recover damages alleged to have been suffered by them as a result of the defendants' violations of federal securities laws. The defendants deny the allegations contained in the Class Action Complaint, and have engaged Baker Botts L.L.P. to defend the action.

Maranatha Oil Matter

In November 2015, Randy L. Robinson, d/b/a Maranatha Oil Co. sued the Company in Gonzales County, Texas (Cause No. 26160). The plaintiff alleged that it assigned oil and gas leases to the Company in April 2010, retaining a 4% overriding royalty interest and 50% working interest and that the Company failed to pay such overriding royalty interest or royalty interest. The interests relate to certain oil and gas properties which the Company subsequently sold to Nordic Oil USA in April 2013. The petition alleges causes of actions for breach of contract, failure to pay royalties, non-payment of working interest, fraud, fraud in the inducement of contract, money had and received, constructive trust, violation of theft liability act, continuing tort and fraudulent concealment. The suit seeks approximately $100,000 in amounts alleged owed, plus pre-and post-judgment interest. The Company has filed a denial to the claims and intends to vehemently defend itself against the allegations.

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PetroGlobe Energy Holdings, LLC and Signal Drilling, LLC

In March 2019, PetroGlobe and Signal sued the Company in the 316th Judicial District of Hutchinson County, Texas (Cause No. 43781). The plaintiffs alleged causes of action relating to negligent misrepresentation; fraud and willful misconduct; gross negligence; statutory fraud; breach of contract; and specific performance, in connection with a purchase and sale agreement entered into between the parties in March 2018, relating to the purchase by plaintiffs of certain oil and gas assets from the Company, and a related joint venture agreement. The lawsuit seeks in excess of $600,000 in damages, as well as pre- and post-judgment interest, court costs and attorneys' fees, and punitive and exemplary damages. Additionally, a portion of the revenues from the properties in contention are being held in suspense as a result of the lawsuit. On October 31, 2019, the Company brought counterclaims against PetroGlobe and Signal, and Petrolia Oil, LLC, and Ian Acrey, including bringing claims for causes of actions including declaratory judgment (that PetroGlobe and certain other plaintiffs represented that a lease and related wells were free of all agreements and rights in favor of third parties and provided a special warranty of title pursuant to the purchase and sale agreement); breach of contract (in connection with the purchase and sale agreement); statutory fraud; common law fraud (against Mr. Acrey and other plaintiffs); fraud by non-disclosure (against Mr. Acrey and other plaintiffs); negligent misrepresentation (against Mr. Acrey and other plaintiffs); breach of fiduciary duty (against Mr. Acrey and other plaintiffs) and seeking attorney's fees and pre- and post-judgment interest.

On May 30, 2019, the Company received a Severance Order from the Texas Railroad Commission (the "TRC") for noncompliance with TRC rules, suspending the Company's ability to produce or sell oil and gas from its Panhandle leases in Hutchinson County, Texas, until certain well performance criteria were met. Subsequent to that date, the Company followed TRC procedures in order to regain TRC compliance for the Panhandle wells.

On January 31, 2020, the Company entered into a Compromise Settlement Agreement (the "Settlement Agreement") with PetroGlobe Energy Holdings, LLC ("PetroGlobe"), Signal Drilling, LLC ("Signal"), Petrolia Oil, LLC ("Petrolia"), Prairie Gas Company of Oklahoma, LLC ("PGCO"), and Canadian River Trading Company, LLC ("CRTC"). Pursuant to the Settlement Agreement, the Company agreed to pay PetroGlobe $250,000, of which $100,000 was due upon execution of the Settlement Agreement, which payment has been made, and $150,000 was paid to an escrow account, which release was subject to approval by the Company upon the successful transfer of all wells and partnership interests of the Company's current wholly-owned subsidiary CE to PetroGlobe, which occurred on July 16, 2020.

On July 16, 2020, the Company completed all of the requirements of the Settlement Agreement and assigned PetroGlobe all of its right, title, and interest in all wells, leases, royalties, minerals, equipment, and other tangible assets associated with specified wells and properties, located in Hutchinson County, Texas, the $150,000 held in escrow was released to PetroGlobe and the Settlement Agreement transactions closed. As a result of the transfers, the Company no longer owns CE, and no longer has any interest in or any liabilities related to the Hutchinson County, Texas wells.

The Company recognized a net settlement cost of $204,842 included in general and administrative expenses on the statement of operations for the year ended March 31, 2020, in connection with the settlement.

All provisions of the settlement were finalized, and the $150,000, held in escrow pending final approvals, was released on July 16, 2020.

The Company released the parties to the Settlement Agreement, including Ian Acrey, individually, as well as their officers, directors, or members from any claims asserted in the lawsuit, and the parties to the Settlement Agreement along with Ian Acrey, individually, released the Company, its officers, directors, shareholders and affiliate corporations from any claims asserted in the lawsuit. The Company did not release any claims or causes of action against N&B Energy, LLC, Sezar Energy, LLP related to Richard Azar, or any of their affiliates, or predecessors, or successors, and is currently evaluating its plans.

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The parties filed a motion and order to dismiss the lawsuit with prejudice shortly after the execution of the Settlement Agreement.

Apache Corporation

In December 2018, Apache Corporation ("Apache") sued Camber, Sezar Energy, L.P., and Texokcan Energy Management Inc., in the 129th Judicial District Court of Harris County, Texas (Cause 2018-89515). Apache alleged causes of action for Breach of Contract, Money Had & Received and Conversion, relating to amounts Apache alleged it was owed under a joint operating agreement. Apache is seeking $656,908 in actual damages, exemplary damages, pre- and post-judgment interest, court costs, and other amounts to which it may be entitled. Camber filed a general denial to the claims and asserted the affirmative defense of failure to mitigate. On July 13, 2020, Apache filed a Second Amended Petition against Camber, Sezar, Texokcan, N&B Energy, LLC, and Richard N. Azar, II alleging Breach of Contract, Defaults under a Joint Operating Agreement, Money Had & Received and Conversion, relating to amounts Apache allegedly overpaid Sezar and Azar and Unjust Enrichment. On October 26, 2020, the Company entered into an agreement with Apache to obtain a release of all liability (both parties provided mutual releases) for $20,000 which the Company paid in October 2020, which is included in general and administrative expenses on the statement of operations for the nine months ended December 31, 2020. The litigation was dismissed against the Company.

N&B Energy

On October 21, 2020, litigation was settled through binding arbitration and an arbitration award in favor of N&B Energy was granted in the amount of approximately $52,000, which is included in general and administrative expenses on the statement of operations for the nine months ended December 31, 2020. The Company paid all amounts due in December 2020 and the litigation was dismissed.

Litigation as a Result of “Short Report”

The Company was the target of a “short” report issued by Kerrisdale Capital in early October, 2021, and as a result of such short report there was an action commenced against the Company, James Doris and Frank Barker by or on behalf of certain shareholders of Camber in connection with losses alleged to have been suffered by the shareholders. There were also derivative actions commenced against the Company and its directors. The Company and its officers and directors have retained the firm of Baker Botts LLP to defend the action, and deny the allegations contained in the claim.

NOTE 12 – REVENUE FROM CONTRACTS WITH CUSTOMERS

Oil and Gas Contracts

The following table disaggregates revenue by significant product type for the year ended December 31, 2021 and the nine months ended December 31, 2020 respectively:

	December 31, 2021	December 31, 2020
Oil sales	$ 273,234	$ 109,570
Natural gas sales and liquids	127,988	41,244
Total oil and gas revenue from customers	$ 401,222	$ 150,814

There were no significant contract liabilities or transaction price allocations to any remaining performance obligations as of December 31, 2021 or 2020, respectively.

Revenue is generated from three customers, one of which represents in excess of 90% for both years.

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NOTE 13 – LINEAL MERGER AGREEMENT AND DIVESTITURE

Merger Agreement

On July 8, 2019 (the “Closing Date”), the Company entered into and closed the transactions contemplated by, the Lineal Plan of Merger, by and between the Company, Camber Energy Merger Sub 2, Inc., the Company’s then newly formed wholly-owned subsidiary, Lineal, and the Lineal Members. Pursuant to the Lineal Plan of Merger, the Company acquired 100% of the ownership of Lineal from the Lineal Members in consideration for newly issued shares of Series E Redeemable Convertible Preferred Stock and Series F Redeemable Preferred Stock.

Divestiture

On December 31, 2019, the Company entered into and closed the transactions contemplated by the Preferred Stock Redemption Agreement (the “Redemption Agreement”), by and between the Company, Lineal, and the holders of the Company’s Series E Preferred Stock and Series F Preferred Stock (the “Preferred Holders”), pursuant to which, the Company redeemed the Company’s Series E and F Preferred Stock issued in connection with the Lineal Merger and ownership of 100% of Lineal was transferred back to the Preferred Holders, and all of the Series E Preferred Stock and Series F Preferred Stock of the Company outstanding were canceled through the redemption (the “Lineal Divestiture”).

The Redemption Agreement also provided for (a) the entry by Lineal and the Company into a new unsecured promissory note in the amount of $1,539,719, the outstanding amount of the July 2019 Lineal Note together with additional amounts loaned by Camber to Lineal through December 31, 2019 (the “December 2019 Lineal Note”); (b) the unsecured loan by the Company to Lineal on December 31, 2019, of an additional $800,000, entered into by Lineal in favor of the Company on December 31, 2019 (“Lineal Note No. 2”); and (c) the termination of the prior Lineal Plan of Merger and Funding Agreement entered into in connection therewith (pursuant to which all funds previously held in a segregated account for future Lineal acquisitions, less amounts loaned pursuant to Lineal Note No. 2, were released back to the Company). The December 2019 Lineal Note and Lineal Note No. 2, accrue interest, payable quarterly in arrears, beginning on March 31, 2020, and continuing until December 31, 2021, when all interest and principal is due, at 8% and 10% per annum (18% upon the occurrence of an event of default), respectively. As of December 31, 2021 and 2020 respectively, the notes are in default, and the full amount of principal and accrued interest has been fully reserved.

NOTE 14 – INCOME TAXES

The Company recorded no provision for income taxes for the year ended December 31, 2021 and for the nine months ended December 31, 2020.

The following is a reconciliation between actual tax expense (benefit) and income taxes computed by applying the U.S. federal income tax rate of 21% to income from continuing operations before income taxes for the year ended December 31, 2021 and the nine months ended December 31. 2020:

	December 31, 2021	**December 31, 2020**
Tax expense (benefit), computed at expected tax rates	$ (966,854)	$ (1,613,788)
Nondeductible expenses	-	-
Change in valuation allowance	966,854	1,613,788
Total	$ -	$ -

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Tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred liabilities are presented below:

	December 31 2021	**December 31, 2020**
Deferred tax assets (liabilities):		
Net operating tax loss carryforwards	$ 9,601,492	$ 10,939,143
Depreciation, depletion and amortization	608,206	606,948
(Income) loss from equity interests	2,399,766	419,267
Stock-based compensation	625,664	302,916
Bad debt reserve	535,034	535,034
Total deferred tax assets (liabilities)	13,770,162	12,803,308
Less: valuation allowance	(13,770,162)	(12,803,308)
Total	$ -	$ -

The above estimates are based on management's decisions concerning certain elections which could change the relationship between net income and taxable income.

Management decisions are made annually and could cause the estimates to vary significantly.

The Company experienced an "ownership change" within the meaning of IRC Section 382 during the year ended March 31, 2017. As a result, certain limitations apply to the annual amount of net operating losses that can be used to offset post ownership change taxable income. The Company has estimated that $44.5 million of its pre-ownership change net operating loss could potentially be lost due to the IRC Section 382 limitation for the year ended March 31, 2017. This amount may increase if the Company experiences another ownership change(s) since the last ownership change. However, the income tax effect of those ownership change(s) should be nil as the Company had recorded a full valuation allowance against its deferred assets. As of December 31, 2020, there have not been any additional ownership changes that the Company believes would lead to further IRC Section 382 limitations.

At December 31, 2021and 2020, the Company had estimated net operating loss carryforwards for federal income tax purposes of approximately $58.5 million and $52.1 million, respectively, adjusted for the ownership change limitation discussed above, which will begin to expire, if not previously used, beginning in the fiscal year 2028. A valuation allowance has been established for the entire amount of the deferred tax assets for the year ended December 31, 2021 and for the nine months ended December 31, 2020.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the 2017 Tax Cuts and Jobs Act ("2017 Tax Reform"). The 2017 Tax Reform significantly revised the future ongoing U.S. corporate income tax by, among other things, lowering U.S. corporate income tax rates and implementing a territorial tax system. The Company has reasonably estimated the effects of the 2017 Tax Reform and recorded provisional amounts in the consolidated financial statements as of March 31, 2018. This amount is primarily comprised of the re-measurement of federal net deferred tax liabilities resulting from the permanent reduction in the U.S. statutory corporate tax rate to 21%, from 34%. The Company will continue to monitor additional guidance issued by the U.S. Treasury Department, the IRS, and other standard-setting bodies, so we may make adjustments to the provisional amounts (if any). However, management's opinion is that future adjustments due to the 2017 Tax Reform should not have a material impact on the Company's provision for income taxes.

On March 27, 2020, President Trump signed into law the "Coronavirus Aid, Relief, and Economic Security Act" ("CARES ACT"). The CARES Act, among other things, includes provisions relating to net operating loss ("NOL") carryback periods. The Company is evaluating the impact, if any, that the CARES Act may have on the Company's future operations, financial position, and liquidity in fiscal year 2021. At this time, the Company does not expect to realize the benefits of the NOL carryback provisions.

The Company files income tax returns for federal and state purposes. Management believes that with few exceptions, the Company is not subject to examination by United States tax authorities for periods prior to 2017.

NOTE 15 – STOCKHOLDERS' DEFICIT

Common Stock

During the year ended December 31, 2021, the Company issued 1,500,094 shares of restricted common stock to service providers in consideration for investor relations and marketing services, and recognized $1,493,358, based on the grant date fair value of the Company's common stock, in stock-based compensation expense corresponding to the issuance of these shares. During the nine months ended December 31, 2020, the Company issued 176,514 shares of restricted common stock to service providers in consideration for investor relations and marketing services, and recognized $209,502, based on the grant date fair value of the Company's common stock, with $36,502 being recorded in stock-based compensation expense and $173,000 in satisfaction of prior period common stock issuable.

Included in such 176,514 shares of common stock were 175,000 shares issued to Sylva International LLC d/b/a SylvaCap Media ("SylvaCap"). On February 15, 2020, the Company entered into a letter agreement with SylvaCap, pursuant to which SylvaCap agreed to act as the Company's non-exclusive digital marketing service provider in consideration for an aggregate of 100,000 shares of restricted common stock, which are fully-earned upon their issuance, and $50,000 per month during the term of the agreement, which was to end on June 15, 2020. On May 19, 2020, the Company entered into a first amendment to the SylvaCap agreement. Pursuant to the amendment, the Company and SylvaCap extended the term of the letter agreement to October 19, 2020. The 100,000 shares were issued on May 15, 2020. On August 31, 2020, the parties entered into a second amendment to the agreement. Pursuant to the amendment, the parties agreed to amend the engagement agreement to increase the stock fee payable thereunder to 175,000 shares of common stock of the Company and to provide for the agreement to remain in place until the earlier of (a) October 19, 2020; and (b) the closing of the Company's currently contemplated merger with Viking.

Series A Convertible Preferred Stock

On August 31, 2020, the Board of Directors approved the designation of 28,092 shares of Series A Convertible Preferred Stock (the "Series A Preferred Stock"), which were designated with the Secretary of State of Nevada on August 31, 2020 (the "Series A Designation") to have substantially similar rights as the Series C Preferred Stock of Viking (as amended), as adjusted for the exchange ratio of the Merger agreement at that time.

On December 23, 2020, the Company entered into (i) a termination agreement with Viking terminating the Amended and Restated Agreement and Plan of Merger, dated August 31, 2020, as amended to date.

On February 15, 2021, the Company entered into a new Agreement and Plan of Merger with Viking. Pursuant to the terms of the Agreement and Plan of Merger with Viking, upon closing of the Merger, each one (1) share of Viking Series C Preferred Stock ("Viking Preferred Stock") issued and outstanding immediately prior to the Effective Time, shall be converted into the right to receive one (1) share of the to be designated Series A Convertible Preferred Stock of Camber (the "New Camber Preferred").

Each share of Camber Series A Preferred Stock will be convertible into 890 shares of common stock of Camber subject to a 9.99% beneficial ownership limitation, will be treated equally with the Company's common shareholders with respect to dividends and liquidation, and will have no right to vote on any matters, questions or proceedings of Camber except: (a) on a proposal to increase or reduce Camber's share capital; (b) on a resolution to approve the terms of a buy-back agreement; (c) on a proposal to wind up Camber; (d) on a proposal for the disposal of all or substantially all of Camber's property, business and undertaking; (f) during the winding-up of Camber; and/or (g) with respect to a proposed merger or consolidation in which Camber is a party or a subsidiary of Camber is a party.

As of December 31, 2021 and 2020, the Company had no Series A Convertible Preferred Stock issued or outstanding.

Series B Redeemable Convertible Preferred Stock

As of December 31, 2020 and March 31, 2020, the Company had no Series B Redeemable Convertible Preferred Stock issued and outstanding.

Effective on May 15, 2020, due to the fact that no shares of Series B Preferred Stock were outstanding, the Board of Directors approved, and the Company filed, a Certificate of Withdrawal of Certificate of Designation relating to such series of preferred stock with the Secretary of State of Nevada and terminated the designation of its Series B Preferred Stock effective as of the same date.

Series C Redeemable Convertible Preferred Stock

On February 3, 2020, the Company sold 525 shares of Series C Preferred Stock for total proceeds of $5 million. In the event the Merger Agreement entered into with Viking in February 2020 is terminated for any reason, we (until June 22, 2020, when such terms were amended) these shares were required to be redeemed at a 110% premium, in an aggregate amount equal to $5,775,000. Because of the previous redemption requirement and due to certain redemption features, which are outside the control of the Company, the Series C Preferred Stock is classified as temporary equity on the March 31, 2021 and December 31, 2020 balance sheets. Temporary equity is a security with redemption features that are outside the control of the issuer, is not classified as an asset or liability in conformity with GAAP, and is not mandatorily redeemable. In addition, the Series C Preferred Stock contains an embedded derivative and an additional derivative upon conversion. (See note 10)

On June 22, 2020, the Company sold 630 shares of Series C Preferred Stock to Discover in consideration for $6 million. On December 11, 2020, the Company entered into an Exchange Agreement with Discover, the sole shareholder at the time, of the Company's Series C Preferred Stock. The transactions contemplated by the Exchange Agreement closed on December 11, 2020. Pursuant to the Exchange Agreement, as an accommodation to the Company, and in order to reduce the potential dilutive impact of the Series C Preferred Stock, by reducing the number of outstanding shares of Series C Preferred Stock, Discover exchanged 600 shares of Series C Preferred Stock, which had an aggregate face value of $6,000,000 (600 shares each with a face value of $10,000 per share), for a $6,000,000 secured Promissory Note. As this investment was appropriately classified as temporary equity prior to the exchange, and it had mandatory redemption options associated with certain contingencies that were outside the control of the issuer, the Company determined that the exchange should be accounted for similar to a debt extinguishment in exchanging the temporary equity instrument for a debt instrument at the same carrying value, and there should be no gain or loss recognized on the transaction.

On January 8, 2021, the Company issued 1,890 shares of Camber's Series C Preferred Stock to EMC Capital Partners, LLC, one of Viking's lenders, in full satisfaction of a secured promissory note previously issued by Viking to EMC, accrued interest and certain other liabilities totaling approximately $18,900,000. The issuance was recorded as an additional investment by the Company in Viking.

The Company has not declared any dividends on the Series C Preferred stock, but recognized cumulative dividends as an adjustment to income available to common stockholders and an increase in the carrying value of the Series C Preferred Stock.

As of December 31, 2021, Discover is entitled to approximately 38,185,136 True-up shares relating to previously converted Series C Preferred Stock. Such shares were issued subsequent to year end, but may be subject to further adjustment as the Measurement Period has not expired on such shares. The Company estimates the liability associated with the obligation to issue True-Up shares and records the obligation as a derivative 'liability based on estimated fair value using a binomial pricing model, the historical volatility of the Company's common stock and the lesser of the conversion price or the lowest closing price subsequent to the conversion date. The Company records a gain or loss on the change in fair value. During the year ended December 31, 2021, the Company recorded a loss on the change in fair value of $152,831,568 and had a derivative liability of $93,108,568. During the nine-month period ended December 31, 2020, the Company recorded a loss on the change in fair value of $41,878,821 and had a derivative liability of $ 93,981,234. The Derivative Liability is reduced when True-Up shares are issued. A Derivative Liability associated with a conversion of the Series C Preferred Stock is no longer recognized when the Measurement Period expires and the holder is no longer entitled to True-

Up shares.

As of December 31, 2021 Discover and Antilles held 2,093 shares of Series C Preferred Stock (518 held by Discover and 1,575 held by Antilles).

Between January 1, 2022 and March 7, 2022 Discover converted 488 of such shares into 64,653,948 common shares, and on May 16, 2022 Discover converted 30 Series C Preferred Stock into 3,848,450 common shares, leaving a balance of 0 Series C Preferred Stock held by Discover. If Camber's stock price falls below $0.3475 per share prior to the Company being in compliance with all of the Equity Conditions set out in the Certificate of Designation, Discover may be entitled to additional True-Up Shares, i.e. additional common shares, regarding shares of Series C Preferred Stock converted by Discover at a VWAP higher than $0.3475 since the Measurement Period in respect of those prior conversions has not expired given the Company is not at the moment in compliance with all of the Equity Conditions set out in the Certificate of Designation.

As of May 16, 2022, the only Series C Preferred Stock outstanding are the 1,175 shares held by Antilles.

Antilles is entitled to convert the face value of the 1,175 Series C Preferred Stock at a fixed conversion price of $3.25, and to convert the value of the associated Conversion Premium at a price equal to (A x B) – C whereas: A equals the lowest volume weighted average price during the Measurement Period (the "VWAP"); B equals 0.85; and C equals $0.10. Neither the Measurement Period nor VWAP are certain with respect to the 1,175 shares of Series C Preferred Stock held by Antilles but the VWAP is estimated to be $0.4503, and assuming: (i) a Triggering Event has occurred (which is the case at the moment) and no waiver for same has been obtained; and (ii) the highest possible dividend rate of 34.95%, the Company estimates that the 1,175 Series C Preferred Stock held by Antilles would convert into approximately 105,264,519 common shares of the Company, subject to the 9.99% ownership limitation set forth in the designation of the Series C Preferred Stock. These Series C Preferred shares would convert into additional common shares of the Company if the VWAP during the Measurement Period falls below $0.4503.

On December 14, 2020, the Company, with the approval of the Board of Directors of the Company and the sole holder of the Company's Series C Preferred Stock, filed a certificate of corrections with the Secretary of State of Nevada to correct the original designation of the Series C Preferred Stock and the first amended and restated designation thereof.

Also on December 14, 2020, the Company, with the approval of the Board of Directors of the Company and the sole holder of the Company's Series C Preferred Stock, filed a second amended and restated designation of the Series C Preferred Stock with the Secretary of State of Nevada which was effective upon filing (the "Second Amended and Restated Designation").

On April 15, 2021, the Company, with the approval of the Board of Directors and holders of the Company's Series C Preferred Stock, filed certificate of corrections with the Secretary of State of Nevada to correct the original designation of the Company's Series C Redeemable Convertible Preferred Stock and the subsequent amended and restated designations thereof, to correct certain errors which were identified in such designations, and to clearly state the original intent of the parties, as follows:

Section I.D.2(e) of the prior Certificates of Designation implicitly excluded as a "Deemed Liquidation Event", an event or proposal that was initiated by or voted upon by the holder of the Series C Preferred Stock, and the Designations have been clarified to expressly exclude such occurrence. Section I.F.4 of the Designations failed to include language to clarify that the Company is not obligated to redeem the Preferred Shares for cash for any reason that is not solely within the control of the Company. Section I.G.1 of the Designations mistakenly included two subsection b.'s where only one was intended, and the unintended subsection b. has been removed. Section I.G.1(e) of the Designations failed to include language to clarify that the Company not having sufficient authorized but unissued shares, solely within the control of the Company and excluding any event that is not solely within the control of the Company, is not a reason that would otherwise trigger the obligations in such section. Sections I.G.1(f) and (g) of the Designations failed to include language to clarify the particular obligations apply only if the Company has sufficient authorized and unissued shares. Section I.G.7(e) of the Designations mistakenly referenced the incorrect Conversion Price. Section I.G.9 of the Designations failed to include language to clarify the maximum number of common shares that could be potentially issuable with respect to all conversions and other events that are not solely within the control of the Company, that the Dividend Maturity Date is to be indefinitely extended and suspended until sufficient authorized and unissued shares become available, the number of shares required to settle the excess obligation is fixed on the date that net share settlement occurs and that all provisions of the Designations are to be interpreted so that net share settlement is within the control of the Company.

The corrections in the Certificates of Correction were effective as of the original filing dates with the Secretary of State of Nevada of the Company's original Series C Preferred Stock designation (August 25, 2016), the Company's first amended and restated

Series C Preferred Stock designation (July 8, 2019), and the Company's second amended and restated Series C Preferred Stock designation (December 14, 2020), subject to certain exceptions set forth in the Nevada Revised Statutes. The corrections corrected the designations to reflect the original intentions of the parties and to conform such designations to the way the Series C Preferred Stock had been accounted for in practice since its original designation/issuance as a component of permanent equity.

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On April 20, 2021, the Company with the approval of the Board of Directors of the Company, and the holders of the Company's Series C Preferred Stock, filed a third amended and restated designation of the Series C Preferred Stock with the Secretary of State of Nevada, which amended the Designations to state that dividends and conversion premiums will only be paid in shares of Company common stock, and state that redemption amounts will only be paid in shares of Company common stock. As a result of the third amended and restated designation of the Series C Preferred Stock the Company has determined that there are no provisions requiring redemption that are outside the control of the Company. Subsequent to yearend, the Series C Preferred Shares were reclassified to permanent equity during the second quarter of 2021.

On July 10, 2021, the Company, with the approval of the Board of Directors of the Company and the holders of the Company's Series C Preferred Stock, filed an amendment to its designation of its Series C Preferred Stock with the Secretary of State of Nevada (the "Fourth Amended and Restated Designation"), solely to increase the number of preferred shares designated as Series C Preferred Stock from 5,000 to 5,200.

On November 8, 2021, the Company filed with the Secretary of State of Nevada a Fifth Amended and Restated Designation regarding its Series C Preferred Stock which amended the Designations to provide voting rights to holders of the Series C Preferred Stock as required by the October 2021 Agreements (as defined herein).

In November 2021, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the investors agreed to extend the deadline for the Filing Requirement to December 6, 2021. The deadline for the Reserve Requirement remains December 31, 2021, meaning the Company is to obtain on or before such date, approval of the proposals outlined in the preliminary proxy statement filed by the Company with the Securities and Exchange Commission on November 9, 2021.

On December 3, 2021 the Company entered into amending agreements (the "December Agreements") with each of the First Investor and Second Investor (as disclosed by the Company in its Current Report Filed on Form 8-K filed with the Securities and Exchange Commission on December 6, 2021). Pursuant to the December Agreements, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the Investors agreed to extend the deadline for the Filing Requirement to December 17, 2021. The deadline for the Reserve Requirement remained December 31, 2021.

Pursuant to the December 24th Agreements, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the parties agreed:

(i) the deadline for the Filing Requirement is extended to January 14, 2022;

(ii) the deadline for the Reserve Requirement remains December 31, 2021, meaning the Company is required to obtain on or before such date, approval of the proposals outlined in the preliminary proxy statement filed by the Company with the Securities and Exchange Commission on November 9, 2021 (to increase the Company's authorized common stock);

(iii) each and every Measurement Period (as defined in the COD) with regard to any share of Preferred converted by Investor or any affiliate of Investor prior to December 24, 2021 will terminate, and the provisions of Section I.G.1.d of the COD shall no longer apply with respect to any shares of Preferred converted prior to December 24, 2021;

(iv) If the Reserve Requirement and the Filing Requirement are not met by the deadlines mentioned above, Company acknowledges and agrees that (A) Company will be in uncured material breach and default under all of the Notes and Agreements, and (B) all Measurement Periods will remain open and continue to run in accordance with the terms of the COD.

The Company satisfied the Reserve Requirement by the required deadline but did not satisfy the Filing Requirement.

As of December 31, 2021 and 2020, the Series C Preferred shares were convertible into a substantial number of the Company's common shares which could result in significant dilution of the Company's existing shareholders. If the outstanding Series C Preferred were converted as of December 31, 2021 and 2020, the Company estimates that the following common shares would be required to be issued to satisfy the conversion of the Series C Preferred shares:

	December 31, 2021	December 31, 2020
Estimated number of shares issuable for conversion at $3.25 per share	11,956,923	6,440,000
Estimated number of common shares required to satisfy Conversion Premium using VWAP at period end	150,167,722	103,226,626
	162,124,645	109,666,626

Additionally. if the Series C preferred shares were converted on the above dates, the Company could be required to issue additional common shares (true-up shares).

The Certificates of Designations with respect to the Company's Series C Preferred Stock and/or the Stock Purchase Agreements regarding the sale of such Series C Preferred Stock and Series G Preferred Stock (collectively, the "SPA's"), contain covenants requiring the Company to timely file all reports required to be filed by the Company pursuant to the Exchange Act (the "Filing Requirement"). The Company did not satisfy the Filing Requirement and, consequently, on or about March 9, 2022, the preferred stock holders, Discover and Antilles, filed a Verified Complaint against the Company (the "Discover/Antilles Complaint**") as a result of the default by the Company under the CODs.** A default under the CODs and/or SPA's is also considered an event of default under each of the Promissory Notes executed by the Company in favor of Discover (collectively, the "Discover Notes") (see subsequent events), and upon an event of default under the Discover Notes, Discover may, at its option, declare the principal and any and all interest then accrued thereon, at once due and payable, and exercise any other rights under applicable agreements. Discover did not exercise its right to declare the amount owing under the Discover Notes immediately due and payable, but Failure by Discover to exercise such right does not constitute a waiver of the right to exercise the same in the event of any subsequent default. As of April 18, 2022, Discover, Antilles and the Company entered into a Settlement Agreement to settle the Discover/Antilles Complaint, and the Settlement Agreement was approved by the Court on or about May 12, 2022. If the Company fails to satisfy future Filing Requirements, it would be considered a default under the CODs and SPA's, which in turn would constitute an event of default under the Discover Notes.

Series E Redeemable Convertible Preferred Stock and Series F Convertible Preferred Stock

As described above in "Note 1 – General" and "Note 13 – Lineal Merger Agreement and Divestiture", on the Closing Date, pursuant to the Lineal Plan of Merger, the Company acquired 100% of the ownership of Lineal from the Lineal Members in consideration for 1,000,000 of the newly issued shares of Series E Preferred Stock and 16,750 of the newly issued shares of Series F Preferred Stock and effective on December 31, 2019, the Company divested its ownership in Lineal and the Series E Preferred Stock and Series F Preferred Stock were returned to the Company and cancelled.

Effective on May 15, 2020, due to the fact that no shares of Series E Preferred Stock and Series F Preferred Stock were outstanding, the Board of Directors approved, and the Company filed, Certificates of Withdrawal of the Certificate of Designations relating to such series of preferred stock with the Secretary of State of Nevada and terminated the designation of its Series E Preferred Stock and Series F Preferred Stock effective as of the same date.

Series G Redeemable Convertible Preferred Stock

On December 30, 2021, the Company filed with the State of Nevada a *Certificate of Designations of Preferences, Powers, Rights and Limitations of Series G Redeemable Convertible Preferred Stock (the "COD").*

Pursuant to the COD, the *Series G Redeemable Convertible Preferred Stock ("Series G Preferred Stock*") may be converted into shares of common stock at any time at the option of the holder at a price per share of common stock equal to one cent above the closing price of the Company's common stock on the date of the issuance of such shares of Series G Preferred Stock, or as otherwise specified in the Stock Purchase Agreement, subject to adjustment as otherwise provided in the COD. Upon conversion, the Company will pay the holders of the Series G Preferred Stock being converted a conversion premium equal to the amount of dividends that such shares would have otherwise earned if they had been held through the maturity date.

The Series G Preferred Stock, with respect to dividend rights and rights upon liquidation, winding-up or dissolution, rank: (a) senior to the Company's common stock; (b) junior to the Series C Redeemable Convertible Preferred Stock, (c) senior to the Series E Redeemable Convertible Preferred Stock and Series F Redeemable Convertible Preferred Stock, as such may be designated as of the date of this Designation, or which may be designated by the Company after the date of this Designation; (d) senior, pari passu or junior with respect to any other series of Preferred Stock, as set forth in the Certificate of Designations of Preferences, Powers, Rights and Limitations with respect to such Preferred Stock; and (d) junior to all existing and future indebtedness of the Company.

Except as prohibited by applicable law or as set forth herein, the holders of shares of Series G Preferred Stock will have the right to vote together with holders of common stock and Series C Preferred on all matters other than: (i) the election of directors; (ii) and any shareholder proposals, including proposals initiated by any holder of shares of Series G Preferred Stock), in each instance on an as-converted basis, subject to the beneficial ownership limitation in the COD even if there are insufficient shares of authorized common stock to fully convert the shares of Series G Preferred Stock into common stock.

Commencing on the date of the issuance of any such shares of Series G Preferred Stock, each outstanding share of Series G Preferred Stock will accrue cumulative dividends at a rate equal to 10.0% per annum, subject to adjustment as provided in the COD (to a maximum of 30% per annum), of the Face Value. Dividends will be payable with respect to any shares of Series G Preferred Stock upon any of the following: (a) upon redemption of such shares in accordance with the COD; (b) upon conversion of such shares in accordance with the COD; and (c) when, as and if otherwise declared by the board of directors of the Corporation.

Dividends, as well as any applicable Conversion Premium payable hereunder, will be paid in shares of common stock valued at (i) if there is no Material Adverse Change ("MAC") as at the date of payment or issuance of common shares for the Conversion Premium, as applicable, (A) 95.0% of the average of the 5 lowest individual daily volume weighted average prices of the common stock on the Trading Market during the applicable Measurement Period, which may be non-consecutive, less $0.05 per share of common stock, not to exceed (B) 100% of the lowest sales price on the last day of such Measurement Period less $0.05 per share of common stock, or (ii) during the time that any MAC is ongoing, (A) 85.0% of the lowest daily volume weighted average price during any Measurement Period for any conversion by Holder, less $0.10 per share of common stock, not to exceed (B) 85.0% of the lowest sales price on the last day of any Measurement Period, less $0.10 per share of common stock.

On the Dividend Maturity Date, the Corporation may redeem any or all shares of Series G Preferred Stock by paying Holder, in registered or unregistered shares of common stock valued at an amount per share equal to 100% of the Liquidation Value for the shares redeemed, and the Corporation will use its best efforts to register such shares.

Sale of *Shares of Series G Preferred Stock:*

On December 30, 2021, the Company and an accredited institutional investor (the "Investor") entered into a stock purchase agreement (the "Stock Purchase Agreement") pursuant to which the Investor purchased from the Company 10,544 shares of newly designated Series G redeemable convertible preferred stock (the "Series G Preferred Stock"), having a face value of $10,000 per share, for an aggregate price of $100,000,000 (the "Purchase Price"), representing at a 5% original issue discount.

The Purchase Price was paid by the Investor via payment of $5,000,000 in cash on December 31, 2021, and the execution and delivery of four Promissory Notes (each a "Note" and collectively, the "Notes") from the Investor in favor of Company, each in the amount of $23,750,000 and payable by the Investor to the Company on March 31, 2022, June 30, 2022, September 30, 2022 and December 31, 2022, respectively.

There are 2,636 shares of Series G Preferred Stock associated with each Note, and the Investor may not convert the shares of preferred stock associated with each Note into shares of common stock or sell any of the underlying shares of common stock (the " Conversion Shares") unless that Note is paid in full by the Investor.

The Company may in its sole discretion redeem the 2,636 shares of Series G Preferred Stock associated with each Note by paying the Investor $1,375,000 as full consideration for such redemption. Also, the Investor may offset the then outstanding balance of each Note against the 2,636 shares of Series G Preferred Stock associated with that Note by electing to cancel the 2,636 shares as full consideration for cancellation of the Note in the event of a breach or default of any of the transaction documents by the Company.

On December 31, 2021, the Company also executed and delivered a Warrant Agreement (the "Warrant Agreement") in favor of the Investor entitling the Investor to purchase up to 100,000,000 shares of common stock of the Company (the "Warrant Shares") at an exercise price of $2.00 per share for the first 50,000,000 shares and an exercise price of $4.00 per share for the remaining 50,000,000 shares. The Warrant Agreement has a term of five years.

The Company agreed to use its best efforts to file with the Securities and Exchange Commission as promptly as practicable, and in any event within 30 days after the date on which the Company files all reports required to be filed pursuant to the Securities Exchange Act of 1934 (the "Act"), a Registration Statement on Form S-3 registering the delayed and continuous resale of all Conversion Shares and Warrant Shares pursuant to Rule 415 under the Act, subject to any limitations imposed by applicable securities laws as to the number of Conversion Shares and/or Warrant Shares that are eligible for registration, and to use best efforts to cause such Registration Statement to be declared effective under the Act as promptly as practicable and in any event within 60 days after filing. No Registration Statement will be declared effective unless the Investor pays for the particular tranche of shares of Series G Preferred Stock in full.

The net cash proceeds received of $5.0 million was allocated to the Series G Preferred Stock and the warrants based on relative fair value. The fair value of the warrants was determined using a Black Scholes model and the Company's stock price, volatility, risk free rate of return and the term of the warrants of five years. The fair value of the Series G preferred Stock was based on the net redemption value. The proceeds allocated to the Series G Stock was allocated to the embedded derivative up to the fair value of derivative liability, which the Company determined to be negligible due to inherent restrictions on conversion. The Company recorded the fair value of the warrants in additional paid-in capital and recorded a deemed dividend for the fair value of the warrants less the proceeds allocated to the warrants. The fair value of the warrants was determined to be $82,165,769 of which $77,749,461 was recorded as a deemed dividend.

Partial Redemption of Series G Preferred Stock

On March 10, 2022, the Company paid Antilles $1,375,000 and redeemed the 2,636 shares of Series G Preferred Stock associated with the Note due March 31, 2022, thereby canceling such Note and reducing the number of shares of Series G Preferred Stock outstanding from 10,544 to 7,908. Antilles may not convert any of the remaining shares of preferred stock associated with any remaining Note into shares of common stock or sell any of the underlying shares of common stock unless that Note is paid in full by Antilles, and the Company may redeem the shares of Series G Preferred Stock associated with each Note by paying Antilles $ 1,375,000 as full consideration for such redemption.

Warrants

The following is a summary of the Company's outstanding warrants at December 31, 2021:

Warrants Outstanding	Exercise Price ($)		Expiration Date	Intrinsic Value at September 30, 2021	
3(1)	$	195,312.50	September 12, 2022	$	-
32(2)	$	12,187.50	May 24, 2023	$	-
50,000,000(3)	$	2.00	December 30, 2026	$	-
50,000,000(3)	$	4.00	December 30, 2026	$	-
100,000(4)	$	0.705	April 25, 2022	$	-
100,100,035				$	-

(1) Warrants issued in connection with funding. The warrants were exercisable on the grant date (September 12, 2017) and remain exercisable until September 12, 2022.

(2) Warrants issued in connection with a Severance Agreement with Richard N. Azar II, the Company's former Chief Executive Officer. The warrants were exercisable on the grant date (May 25, 2018) and remain exercisable until May 24, 2023.

(3) Warrants issued in connection with the Series G Preferred Stock and remain exercisable until December 30, 2026.

(4) Warrants issued to a consultant for services and are exercisable until April 25, 2022.

NOTE 16 – SHARE-BASED COMPENSATION

Common Stock

The Company stockholders approved the 2014 Stock Incentive Plan (as amended to date, the "2014 Plan") at the annual stockholder meeting held on February 13, 2014. The 2014 Plan provides the Company with the ability to offer up to 2.5 million (i) incentive stock options (to eligible employees only); (ii) nonqualified stock options; (iii) restricted stock; (iv) stock awards; (v) shares in performance of services; or (vi) any combination of the foregoing, to employees, consultants and contractors as provided in the 2014 Plan.

The Company stockholders approved the Lucas Energy, Inc. 2012 Stock Incentive Plan ("2012 Incentive Plan") at the annual stockholder meeting held on December 16, 2011. The 2012 Incentive Plan provides the Company with the ability to offer (i) incentive stock options (to eligible employees only); (ii) nonqualified stock options; (iii) restricted stock; (iv) stock awards; (v) shares in performance of services; or (vi) any combination of the foregoing, to employees, consultants and contractors as provided in the 2012 Incentive Plan.

The Company stockholders approved the Lucas Energy, Inc. 2010 Long Term Incentive Plan ("2010 Incentive Plan" or "2010 Plan") at the annual stockholder meeting held on March 30, 2010. The 2010 Incentive Plan provides the Company with the ability to offer (1) incentive stock options, (2) non-qualified stock options, and (3) restricted shares (i.e., shares subject to such restrictions, if any, as determined by the Compensation Committee or the Board) to employees, consultants and contractors as performance incentives.

Under the 2010 Incentive Plan, 58 shares of the Company's common stock are authorized for initial issuance or grant, under the 2012 Incentive Plan, 96 shares of the Company's common stock are authorized for initial issuance or grant, and under the 2014 Incentive Plan, as amended, 2,500,000 shares of the Company's common stock are authorized for issuance or grant. As of March 31, 2020, there was an aggregate of 1 share available for issuance or grant under the 2010 Incentive Plan, 5 shares were available for issuance or grant under the 2012 Incentive Plan and an aggregate of approximately 1,999 securities were available for issuance or grant under the 2014 Incentive Plan as amended for future issuances and grants, respectively. The number of securities available under the 2010, 2012 and 2014 Plans is reduced one for one for each security delivered pursuant to an award under the Plans. Any issued or granted security that becomes available due to expiration, forfeiture, surrender, cancellation, termination or settlement in cash of an award under the Incentive Plans may be requested and used as part of a new award under the Plans.

The Plans are administered by the Compensation Committee and/or the Board in its discretion (the "Committee"). The Committee interprets the Plans and has broad discretion to select the eligible persons to whom awards will be granted, as well as the type, size and terms and conditions of each award, including the exercise price of stock options, the number of shares subject to awards, the expiration date of awards, and the vesting schedule or other restrictions applicable to awards.

Camber measures the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award over the vesting period.

NOTE 17– INCOME (LOSS) PER COMMON SHARE

The calculation of earnings (loss) per share for the year ended December 31, 2021 and the nine months ended December 31, 2020 was as follows:

	Year Ended December 31, 2021	**Nine Months Ended December 31, 2020**
Numerator:		
Net loss	$(169,675,169)	$(52,011,388)
Less preferred dividends	(84,156,455)	(6,929,910)
Net loss attributable to common stockholders	$(253,831,624)	$(58,941,298)
Denominator		

Weighted average share – basic	124,077,234	17,556,725
Dilutive effect of common stock equivalents options/warrants	-	-
Preferred C shares	-	-
Denominator		
Total Weighted average common shares – diluted	124,077,234	17,556,725
Income (loss) per common share – basic		
Income (loss) per common share from continuing operations	$ (2.05)	$ (3.36)
Income (loss) per common share – diluted		
Income (loss) per common share from continuing operations	$ (2.05)	$ (3.36)

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For the year ended December 31, 2021 and the nine months ended December 31, 2020, the following common share equivalents related to convertible debt, Series C Preferred Stock, warrants and options to purchase shares of common stock were excluded from the computation of diluted net income (loss) per share as the inclusion of such shares would be anti-dilutive. The Series G Stock is not currently convertible.

	Year Ended December 31, 2021	Nine Months Ended December 31, 2020
Common Shares Issuable for:		
Convertible Debt	276	276
Options and Warrants	100,100,035	38
Series C Preferred Shares	162,124,645	109,666,626
Total	262,224,956	109,666,940

NOTE 18– RELATED PARTY TRANSACTIONS

The Company's CEO and director, James Doris, renders professional services to the Company through AGD Advisory Group, Inc., an affiliate of Mr. Doris'. Amounts paid for the years ended December 31, 2021 and 2020 were $180,000 and $0, respectively.

The Company's CFO, Frank W. Barker, Jr., renders professional services to the Company through FWB Consulting, Inc., an affiliate of Mr. Barker's. Amounts paid for the years ended December 31, 2021 and 2020 were $180,000 and $0, respectively.

NOTE 19 - SUBSEQUENT EVENTS

Certain subsequent events are described in Note 1 to the consolidated financial statements.

Redemptions of Series C Stock in 2022:

On or about January 3, 2022, the Company purchased for cancellation 1,664 shares of Series C Stock held by EMC Capital Partners, LLC for a redemption price of $18,850,000.

True-Up Issuances in 2022:

Between January 18, 2022 and February 22, 2022, the Company issued Discover 38,185,136 shares of common stock in connection with the shares of Series C Stock converted by Discover in 2021. This "true-up" entitlement was a result of the price of the Company's common stock being lower during the portion of the Measurement Period following the initial conversions than the low VWAP of the common stock during the portion of the Measurement Period prior to the initial conversions.

Conversions of Series C Stock in 2022:

On or about January 4, 2022, EMC converted 129 shares of Series C Preferred Stock, entitling EMC to receive 16,548,332 shares of common stock, of which 2,052,507 shares of common stock were issued to EMC and the balance of 14,495,825 were issued May 16, 2022.

From February 23, 2022 through March 7, 2022, Discover converted 488 shares of Series C Preferred Stock into approximately 62,601,441 shares of common stock. On May 16, 2022, Discover converted their remaining 30 shares of Series C Preferred Stock into 3,848,450 shares of common stock.

On May 16, 2022, Antilles converted 400 shares of Series C Preferred Stock into approximately 35,834,731 shares of common stock.

Outstanding Series C Stock

As of May 16, 2022, Discover no longer holds any Series C Preferred Stock and Antilles holds 1,175 shares of Series C Preferred Stock.

Amendments to Articles

On December 30, 2021, the Company filed an amendment to the Company's articles of incorporation to effect a proposal approved at a Special Meeting of Stockholders on December 30, 2021 whereby the Company's stockholders approved an amendment to the Company's Articles of Incorporation to increase the number of authorized shares of common stock from 250,000,000 to 1,000,000,000.

Share Issuances & Consulting Arrangements

On or about October 14, 2021 the Company executed an amendment to an existing Consulting Agreement with Regal Consulting which extended the term of the consulting arrangement to April 22, 2022. Pursuant to the terms of the amendment, the Company agreed to pay the consultant a cash fee of $20,000 per month and issue the consultant 5,000 shares of the Company's common stock per month until the end of the amended term.

On or about January 5, 2022 the Company executed an amendment to an agreement with Sylva International LLC, effective January 1, 2022, which extended the term of the agreement to June 30, 2022. Pursuant to the terms of the amendment, the Company agreed to pay the consultant a cash fee of $50,000 per month and issue the consultant 150,000 shares of the Company's common stock.

Amendments to Existing Promissory Notes

Effective December 24 2021, Camber executed amendments to Promissory Notes previously executed by the Company in favor of Discover Growth Fund, LLC, in the aggregate principal amount of $20,500,000, pursuant to which: (i) the Maturity Date of each Promissory Note was extended from January 1, 2024 to January 1, 2027; (ii) the conversion price was increased from $1.25 to $1.50 per share of common stock; and (iii) the interest rate was decreased from 10% per annum to the WSJ Prime Rate.

New Financing Transactions

$1,000,000 Loan:

On or about December 9, 2021, the Company received $1,000,000 from an investor and in connection therewith executed and delivered the following in favor of the investor: (i) a promissory note dated on or about December 8, 2021 in the principal amount of $1,052,631.58, representing a 5% original issue discount (the "Investor Note"), accruing interest at the rate of 10% per annum and maturing March 8, 2022; (ii) a Security Agreement-Pledge granting the Investor a first-priority security interest in Camber's common shares of Viking Energy Group, Inc.; and (iii) a general security agreement granting the Investor a first-priority security interest in Camber's other assets. The Investor may convert amounts owing under the Investor Note into shares of common stock of Camber at a fixed price of $1.25 per share, subject to beneficial ownership limitations. The Investor Note was paid in full by the Company on January 4, 2022.

$25,000,000 Loan:

The Company entered into a Loan Agreement on December 24, 2021 with the investor named therein (the "Investor") pursuant to which the Investor agreed to loan the Company $25,000,000 subject to, among other things, the Company having increased its authorized capital of common shares on or before December 31, 2021, which increase occurred on December 30, 2021.

On January 3, 2022 the Company received $25,000,000 (the "Loan Proceeds") from the Investor, and in connection therewith executed and delivered the following in favor of the Investor: (i) a promissory note dated on or about December 31, 2021 in the principal amount of $26,315,789.47, representing a 5% original issue discount (the "Investor Note"), accruing interest at a rate equal to the Wall Street Journal Prime Rate, payable at maturity, and maturing January 1, 2027; (ii) a Security Agreement-Pledge (the "Pledge Agreement") granting the Investor a first-priority security interest in Camber's common shares of Viking Energy Group, Inc.; and (iii) a general security agreement (the "Security Agreement") granting the Investor a first-priority security interest in Camber's other assets. The Investor may convert amounts owing under the Investor Note into shares of common stock of Camber at a fixed price of $1.50 per share, subject to beneficial ownership limitations. The obligations under the Investor Note are supported by a Guaranty from Viking Energy Group, Inc.

The majority of the Loan Proceeds of the loan were used to: (i) redeem shares of Series C Redeemable Convertible Preferred Stock of the Company not owned by the Investor or its affiliates; and (ii) pay in full the secured loan disclosed by the Company in a Current Report Filed on Form 8-K filed with the SEC on December 17, 2021 that was due on March 8, 2022.

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NYSE Approval Requirement

The Company agreed to use its best efforts to obtain an exception to any shareholder approval requirement from NYSE American or to obtain such approval regarding the issuance of the Conversion Shares and Warrant Shares as soon as possible and in any event no later than the Company's next annual meeting of stockholders.

Registration Statement

The Company agreed use its best efforts to file with the Securities and Exchange Commission as promptly as practicable, and in any event within 30 days after the date on which the Company files all reports required to be filed pursuant to the Securities Exchange Act of 1934 (the "Act"), a Registration Statement on Form S-3 registering the delayed and continuous resale of all Conversion Shares and Warrant Shares pursuant to Rule 415 under the Act, subject to any limitations imposed by applicable securities laws as to the number of Conversion Shares and/or Warrant Shares that are eligible for registration, and to use best efforts to cause such Registration Statement to be declared effective under the Act as promptly as practicable and in any event within 60 days after filing. No Registration Statement will be declared effective unless the Investor pays for the particular tranche of shares of Series G Preferred Stock in full.

Other Agreements

On or about December 24, 2021, the Company entered into two agreements (collectively, the "December 24th Agreements") as follows: one agreement (the "First Agreement") was entered into with an investor (the "First Investor") that holds shares of Series C Preferred Stock of the Company (the "Preferred Shares"), and the second agreement (the "Second Agreement") was entered into with another investor (the "Second Investor", together with the First Investor, the "Investors") that holds Preferred Shares along with four promissory notes, with an aggregate principal amount totaling $21,552,631.58, previously executed by the Company in favor of the Second Investor (collectively, the "Notes"). The December 24th Agreements are identical as to their terms.

The original securities purchase agreements between the Company and the Investors regarding the purchase and sale of the Preferred Shares (the "SPAs") require the Company to, among other things, timely file all reports required to be filed by Company pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and to maintain sufficient reserves from its duly authorized Common Stock for issuance of all Conversion Shares (as such term is defined in the Certificate of Designation regarding the Preferred Shares (the "COD"), or the shares of Company common stock to be issued upon conversion of the Preferred Shares). On October 6, 2021, the Company received notice from the Investors that they believed the Company breached the SPAs by failing to comply with those two requirements in the SPAs, and the Notes also contain a provision stating a breach by the Company of any terms within the SPA or COD is also a breach under the Notes, which would result in an immediate acceleration of the Notes at the holder's option.

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On October 9, 2021 the Company entered into amending agreements (the "October Agreements") with each of the First Investor and Second Investor (as disclosed by the Company in its Current Report Filed on Form 8-K filed with the Securities and Exchange Commission on October 13, 2021), pursuant to which the Investors agreed to refrain from declaring defaults or bringing a breach of contract action under the SPAs, and the Second Investor agreed to refrain from declaring defaults or bringing a breach of contract action under the Notes, provided the Company: (i) within 30 days of the date of the October Agreements, amended the COD to provide that holders of the Preferred Shares will vote together with holders of common stock on all matters other than election of directors and shareholder proposals (including proposals initiated by any holders of Preferred Shares), on an as-if converted basis, subject to the beneficial ownership limitation in the COD, even if there are insufficient shares of authorized common stock to fully convert the Preferred Shares (the "COD Amendment Requirement")? (ii) files by November 19, 2021 all reports required to be filed by the Company pursuant to the Exchange Act (the "Filing Requirement")? and (iii) implements and maintains, as soon as possible but no later than December 31, 2021, a sufficient reserve from its duly authorized Common Stock for issuance of all Conversion Shares (the "Reserve Requirement"). The Company complied with the COD Amendment Requirement on November 8, 2021.

On November 18, 2021 the Company entered into amending agreements (the "November Agreements") with each of the First Investor and Second Investor (as disclosed by the Company in its Current Report Filed on Form 8-K filed with the Securities and Exchange Commission on November 19, 2021). Pursuant to the November Agreements, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the Investors agreed to extend the deadline for the Filing Requirement to December 6, 2021. The deadline for the Reserve Requirement remained December 31, 2021.

On December 3, 2021 the Company entered into amending agreements (the "December Agreements") with each of the First Investor and Second Investor (as disclosed by the Company in its Current Report Filed on Form 8-K filed with the Securities and Exchange Commission on December 6, 2021). Pursuant to the December Agreements, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the Investors agreed to extend the deadline for the Filing Requirement to December 17, 2021. The deadline for the Reserve Requirement remained December 31, 2021.

Pursuant to the December 24th Agreements, as a further accommodation to the Company and in order to help facilitate implementation of the Company's business plans and continued trading on the NYSE American, the parties agreed:

(i) the deadline for the Filing Requirement is extended to January 14, 2022;

(ii) the deadline for the Reserve Requirement remains December 31, 2021, meaning the Company is required to obtain on or before such date, approval of the proposals outlined in the preliminary proxy statement filed by the Company with the Securities and Exchange Commission on November 9, 2021 (to increase the Company's authorized common stock);

(iii) each and every Measurement Period (as defined in the COD) with regard to any share of Preferred converted by Investor or any affiliate of Investor prior to December 24, 2021 will terminate, and the provisions of Section I.G.1.d of the COD shall no longer apply with respect to any shares of Preferred converted prior to December 24, 2021; and

(iv) If the Reserve Requirement and the Filing Requirement are not met by the deadlines mentioned above, Company acknowledges and agrees that (A) Company will be in uncured material breach and default under all of the Notes and Agreements, and (B) all Measurement Periods will remain open and continue to run in accordance with the terms of the COD.

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The Company satisfied the Reserve Requirement by the required deadline but did not satisfy the Filing Requirement.

Legal Proceedings

On or about April 18, 2022, the Company was made aware of a Shareholder Derivative Complaint filed with the District Court in Clark County, Nevada (Case No.: A-22-848486-B) against the Company and its directors, and on or about May 4, 2022 the

Company was made aware of a second Shareholder Derivative Complaint against the Company and its directors. The allegations contained in the derivative actions are similar to those in the above-noted Class Action Complaint. The defendants deny the allegations contained in the Derivative Complaints, and have engaged Baker Botts L.L.P. to defend the actions.

Effective as of April 18, 2022, the Company entered into a Settlement Agreement (the "Settlement Agreement") with Discover and Antilles (collectively the "Investors"), pursuant to which the Company agreed to settle claims asserted by the Investors in the Verified Complaint filed by the Investors against the Company in the United States District Court (the "Court") for the Southern District of Texas (Case No. 4:22-cv-755) on or about March 9, 2022, which complaint alleged that the Company breached its Stock Purchase Agreements with the Investors, pursuant to which the Investors had purchased shares of Series C Redeemable Convertible Preferred Stock and Series G Redeemable Convertible Preferred Stock of the Company (collectively the "Preferred Stock"), by failing to timely file all reports required to be filed by the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Conditioned upon the Court approving the Settlement Agreement, the Company and its transfer agent are required to issue "free-trading" shares of Company common stock to the Investors without restrictive legend pursuant to the conversion terms in the Certificates of the Designation governing the Preferred Stock. The Investors and the Company are required to jointly request a stipulated order (a) finding that (i) under Section 3(a)(10) of the Securities Act of 1933, as amended (the "Securities Act") that the exchange of Preferred Stock for shares of Company common stock provided for in the Settlement Agreement is fair, (ii) the shares of Company common stock issued upon conversion of the shares of Preferred Stock previously purchased by the Investors are not required to be registered under the Securities Act, and (iii) the Investors are not required to register as dealers pursuant to Section 15(b) of the Exchange Act; (b) requiring 500,000,000 shares of Company common stock to be reserved for issuance on conversion of all shares Preferred Stock currently held by the Investors, or which the Investors are entitled to acquire under their purchase agreements; and (c) requiring the immediate issuance of free-trading shares of Company common stock on delivery of a conversion request regarding shares of Preferred Stock. On April 18, 2022, the parties submitted that stipulated order to the Court for approval. No payments are due to the Investors pursuant to the Settlement Agreement, and the number of shares of common stock to be issued to the Investors upon conversion of the Preferred Stock will be calculated pursuant to the terms of the applicable Certificate of Designation, the terms of which have not been modified by the Settlement Agreement. On May 12, 2022, the Court approved the Settlement Agreement.

The Stock Purchase Agreements between the Investors and the Company remain in full force and effect, as do the Promissory Notes executed and delivered by Antilles Family Office, LLC ("Antilles") in favor of the Company (the "Antilles Notes"). Among other things, (i) Antilles shall not be entitled to sell or convert any Series G Redeemable Convertible Preferred Stock unless Antilles has paid all amounts owing under the Antilles Notes, and (ii) the Company is still entitled to redeem the remaining Series G Redeemable Convertible Preferred Stock pursuant to the terms of the Stock Purchase Agreements and/or Antilles Notes.

SUPPLEMENTAL INFORMATION ON OIL AND GAS PRODUCING ACTIVITIES – (unaudited)

The following supplemental unaudited information regarding Camber's oil and gas activities is presented pursuant to the disclosure requirements of ASC 932. Camber's oil and gas activities are all located in the United States.

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Results of Operations – year ended December 31, 2021 and the nine months ended December 31, 2020

	United States	
	December 31, 2021	**December 31, 2020**
Sales	$ 401,222	$ 150,814
Lease operating costs	(134,684)	(131,937)
Depletion, accretion and impairment	(5,993)	(6,615)
Net operating income (loss)	$ 260,545	$ 12,262)

Reserve Quantity Information

The supplemental unaudited presentation of proved reserve quantities and related standardized measure of discounted future net cash flows provides estimates only and does not purport to reflect realizable values or fair market values of the Company's reserves. The Company emphasizes that reserve estimates are inherently imprecise and that estimates of new discoveries are more imprecise than those of producing oil and gas properties. Accordingly, significant changes to these estimates can be expected as future information becomes available.

Proved reserves are those estimated reserves of crude oil (including condensate and natural gas liquids) and natural gas that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. Proved developed reserves are those expected to be recovered through existing wells, equipment, and operating methods.

Estimated Quantities of Proved Reserves

	United States	
	December 31, 2021	**December 31, 2020**
Proved Developed, Producing	73,800	86,217
Proved Developed, Non-Producing	-	-
Total Proved Developed	73,800	86,217
Proved Undeveloped	-	-
Total Proved	73,800	86,217

Petroleum and Natural Gas Reserves

Reserves are estimated remaining quantities of oil and natural gas and related substances, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible – from a given date forward, from known reservoirs, and under existing economic conditions, operating methods and government regulations – prior to the time at which contracts providing the right to operate expire.

All of the Company's reserves are located in the United States. The following tables sets forth the changes in Camber's net proved reserves (including developed and undeveloped reserves) for year ended December 31, 2021 and the nine months ended December 31, 2020.

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The following table sets forth Camber's proved developed and undeveloped reserves at December 31, 2021 and 2020.

	December 31, 2021	**December 31, 2020**
Proved Developed Producing Reserves		
Crude Oil (Bbls)	48,400	35,700
Natural Gas (Mcf)	25,400	20,317
NGL (Bbls)	-	30,200
Oil Equivalents (Boe)	73,800	86,217
Proved Developed Non-Producing Reserves		
Crude Oil (Bbls)	-	-
Natural Gas (Mcf)	-	-
NGL (Bbls)	-	-
Oil Equivalents (Boe)	-	-
Proved Undeveloped Reserves		
Crude Oil (Bbls)	-	-
Natural Gas (Mcf)	-	-
NGL (Bbls)	-	-

Oil Equivalents (Boe)	-	-
Proved Reserves		
Crude Oil (Bbls)	48,400	35,700
Natural Gas (Mcf)	25,400	20,317
NGL (Bbls)	-	30,200
Oil Equivalents (Boe)	73,800	86,217

Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Reserves

The standardized measure of discounted future net cash flows relating to proved oil and natural gas reserves and the changes in standardized measure of discounted future net cash flows relating to proved oil and natural gas reserves were prepared in accordance with provisions of ASC 932 - *Extractive Activities - Oil and Gas*. Future cash inflows at December 31, 2020 and 2019 were computed by applying the unweighted, arithmetic average of the closing price on the first day of each month for the 12-month period prior to December 31, 2020 and 2019 to estimated future production. Future production and development costs are computed by estimating the expenditures to be incurred in developing and producing the proved oil and natural gas reserves at year-end, based on year-end costs and assuming continuation of existing economic conditions.

Future income tax expenses are calculated by applying appropriate year-end tax rates to future pretax net cash flows relating to proved oil and natural gas reserves, less the tax basis of properties involved. Future income tax expenses give effect to permanent differences, tax credits and loss carry forwards relating to the proved oil and natural gas reserves. Future net cash flows are discounted at a rate of 10% annually to derive the standardized measure of discounted future net cash flows. This calculation procedure does not necessarily result in an estimate of the fair market value of the Company's oil and natural gas properties.

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The standardized measure of discounted future net cash flows relating to proved oil and natural gas reserves for the year ended December 31. 2021 and the nine months ended December 31, 2020 are as follows:

	United States	
	December 31, 2021	December 31, 2020
Future cash inflows	$ 3,889,900	$ 1,333,900
Future production costs	(1,638,400)	(856,500)
Future development costs	-	-
Future income tax expense	-	(30,518)
Future net cash flows	2,251,500	446,882
10% annual discount for estimated timing of cash flows	(993,500)	(132,582)
Standardized measure of DFNCF	$ 1,258,000	$ 314,300

Changes in Standardized Measure of Discounted Future Net Cash Flows

The changes in the standardized measure of discounted future net cash flows relating to proved oil and natural gas reserves for the year ended December 31, 2021 and the nine months ended December 31, 2020 are as follows:

	United States	
	December 31, 2021	December 31, 2020
Balance - beginning	$ 314,300	$ 963,889
Net changes in prices and production costs	-	(384,470)
Net changes in future development costs	-	(789,302)

Sales of oil and gas produced, net	(266,538)	(472,127)
Extensions, discoveries and improved recovery	-	-
Purchases of reserves	-	-
Sales of reserves	-	-
Revisions of previous quantity estimates	(59,613)	(93,587)
Previously estimated development costs incurred	-	-
Net change in income taxes	181,718	207,874
Accretion of discount	125,800	31,430
Other	962,333	850,593
Balance - ending	$ 1,258,000	$ 314,300

In accordance with SEC requirements, the pricing used in the Company's standardized measure of future net revenues is based on the 12-month un-weighted arithmetic average of the first-day-of-the-month price for the period January through December for each period presented and adjusted by lease for transportation fees and regional price differentials. The use of SEC pricing rules may not be indicative of actual prices realized by the Company in the future.

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ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

On September 16, 2021, the Audit Committee of the Board of Directors (the "Audit Committee") of Camber Energy, Inc, Inc. (the "Company"), dismissed Marcum LLP ("Marcum") as its independent registered public accounting firm, effective as of such date.

The report of Marcum on the Company's consolidated financial statements as of March 31, 2020 and March 31, 2019 and for the years then ended did not contain an adverse opinion or disclaimer of opinion, and was not qualified or modified as to uncertainty, audit scope, or accounting principles, other than an explanatory paragraph relating to the Company's ability to continue as a going concern. The consolidated financial statements as of March 31, 2020 and March 31, 2019, and for the years then ended were the most current audited financial statements of the Company, the Company changed its fiscal year to December 31st on February 4, 2021, and on September 11, 2021, the Company determined that those audited financial statements should not be relied on, and filed a Current Report on Form 8-K with the Securities and Exchange Commission on or about September 16, 2021, regarding that non-reliance.

During the Company's fiscal year ended December 31, 2021, the transition period ended December 31, 2020, and through May 6, 2022, there were no disagreements (as defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions to Item 304 of Regulation S-K) with Marcum on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of Marcum, would have caused Marcum to make reference to the matter in its report on the consolidated financial statements for such year.

On September 17, 2021, the Audit Committee approved the appointment of Turner, Stone & Company, L.L.P. ("Turner Stone") as the Company's independent registered public accounting firm for the fiscal years ended March 31, 2020 and March 31 2019, and for the transition period ended December 31, 2020, and such engagement was formalized on September 21, 2021.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms and that such information is accumulated and communicated to management, including the Principal Executive Officer and Principal Financial Officer, to allow timely decisions regarding required disclosures.

Evaluation of Disclosure Controls and Procedures

In connection with the preparation of this Annual Report on Form 10-K, our management, with the participation of our Principal Executive Officer and our Principal Financial Officer, carried out an evaluation of the effectiveness of our disclosure controls and procedures as of December 31, 2020, as required by Rule 13a-15 of the Exchange Act. Based on the evaluation described above, our management, including our principal executive officer and principal financial officer, have concluded that, as of December 31, 2020, our disclosure controls and procedures were not effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Internal control over financial reporting is a process designed under the supervision of our Interim Principal Executive Officer and Principal Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the issuer;

- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the issuer; and

- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the issuer's assets that could have a material effect on the financial statements.

Due to inherent limitations, internal control over financial reporting may not prevent or detect misstatements and, even when determined to be effective, can only provide reasonable, not absolute, assurance with respect to financial statement preparation and presentation. Projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate as a result of changes in conditions or deterioration in the degree of compliance.

Management has identified the following material weaknesses in the Company's system of internal control over financial reporting:

1. The Company does not have sufficient staff to maintain a proper segregation of duties;

2. The Company lacks sufficient internal resources to analyze and interpret accounting for certain complex features of the Series C Preferred shares and other complex accounting issues; and

3. The Company does not have enough competent accounting staff and senior management that can provide proper oversight and detection of errors.

Under the supervision and with the participation of our management, including our Principal Executive Officer and Principal Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2021 based on the criteria framework established in the 2013 *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on the assessment, our management has concluded that our internal controls over financial reporting were not effective as of December 31, 2021.

This Annual Report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to the rules of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report.

Limitations on the Effectiveness of Controls

The Company's disclosure controls and procedures are designed to provide the Company's Principal Executive Officer and Principal Financial Officer with reasonable assurances that the Company's disclosure controls and procedures will achieve their objectives. However, the Company's management does not expect that the Company's disclosure controls and procedures or the Company's internal control over financial reporting can or will prevent all human error. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Furthermore, the design of a control system must reflect the fact that there are internal resource constraints, and the benefit of controls must be weighed relative to their corresponding costs. Because of the limitations in all control systems, no evaluation of controls can provide complete assurance that all control issues and instances of error, if any, within the Company are detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur due to human error or mistake. Additionally, controls, no matter how well designed, could be circumvented by the individual acts of specific persons within the organization. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and such design may not succeed in achieving its stated objectives under all potential future conditions.

Changes in Internal Control Over Financial Reporting

There have not been any changes in our internal control over financial reporting during the quarter ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information about our Executive Officers and Directors

The following table and accompanying descriptions indicate the name of each officer and director, including their age, principal occupation or employment, and the year in which each person first became a director.

Name	Position	Date First Elected/Appointed as Director	Age
James A. Doris	Chief Executive Officer and Director	December 23, 2020	50
Frank W. Barker, Jr.	Chief Financial Officer, and Treasurer	December 23, 2020	66
Fred Zeidman	Director	January 11, 2018	74
James G. Miller	Director	July 10, 2018	72
Robert Green	Director	December 23, 2020	59

Information Concerning the Board of Directors and its Committees

All directors hold office until the next annual meeting of stockholders and until their successors have been duly elected and qualified. There are no agreements with respect to the election of directors. We have historically compensated our directors for service on the Board and committees thereof through the issuance of shares of common stock, stock options and cash compensation for meeting fees. Additionally, we reimburse directors for expenses incurred by them in connection with the attendance at meetings of the Board and any committee thereof (as described below). The Board appoints annually the executive officers of the Company and the executive officers serve at the discretion of the Board.

The business experience of each of the persons listed above during the past five years is as follows:

James A. Doris, Chief Executive Officer

Mr. Doris was appointed as Chief Executive Officer and Chairman of the Board of Directors for the Company on December 23, 2020 in conjunction with the acquisition of Viking by the Company. He has been an officer and director of the Viking Energy Group, Inc. since 2014 and has been an integral part of transitioning the Company's to an appropriate platform to facilitate growth. He has over 25 years of experience negotiating national and international business transactions. Formerly a lawyer in Canada, Mr. Doris represented domestic and foreign clients regarding their investment activities in Canada for over 16 years. Prior to starting his own law firm, Mr. Doris served as Executive Vice President and In-House Counsel for a real estate investment and development company as well as working at one of Canada's leading law firms. Mr. Doris graduated cum laude from the University of Ottawa.

Frank W. Barker, Jr. Chief Financial Officer

Mr. Barker was appointed as Chief Financial Officer for the Company on December 23, 2020 in conjunction with the acquisition of Viking by the Company. Mr. Barker is a Certified Public Accountant licensed to practice in the State of Florida. Mr. Barker has been providing professional services to Viking Energy Group, Inc. since the beginning of 2015. On December 29, 2017, Mr. Barker accepted the position as Chief Financial Officer of Viking Energy Group, Inc. Mr. Barker has vast experience providing strategic, financial, accounting and tax-related services in various capacities to both Public and Private entities, including Compliance Reporting with the Securities and Exchange Commission, the planning, preparation and oversight of annual audit functions, presentation of financial data to Public Company Boards, turn-around management, bankruptcy and asset recovery, Strategic planning for survival of troubled companies, financial forecasting and cash flow management, litigation support and forensic analysis, mergers and acquisitions and reverse mergers. Mr. Barker has served as Chief Financial Officer of several Public Companies with Revenues in excess of $40 million. Mr. Barker's Industry experience include the fields of Defense Contracting, Manufacturing, Alternative Energy, Electrical Contracting, Healthcare Research and Construction, Oil and Gas, Health Care Services and Administration, Not for Profit, Retail, Distribution, Gaming, Real Estate, Professional Services, Internet Technologies, Media Communications, Web Based Technologies, Banking, Investments, Insurance, Private Equity, Municipal and County Governments and Treasure Exploration. Mr. Barker received a B.A. in Accounting and Finance from the University of South Florida, Tampa, Florida in 1978.

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Fred S. Zeidman, Director

In December 2014, Mr. Zeidman was appointed as Chairman of Gordian Group LLC, a U.S. investment bank specializing in board level advice in complex, distressed or "story" financial matters. Mr. Zeidman currently serves as Director of External Affairs of MCNA Dental, lead Director of Straight Path Communications, Inc., Director REMA and Director Prosperity Bank in Houston. He was formerly Restructuring Officer of TransMeridian Exploration Inc. and Chief Bankruptcy Trustee of AremisSoft Corp.

Mr. Zeidman, Chairman Emeritus of the United States Holocaust Memorial Council, was appointed by President George W. Bush in March 2002 and served in that position from 2002-2010. A prominent Houston based business and civic leader, Mr. Zeidman also is Chairman Emeritus of the University of Texas Health Science System Houston and Director and Chief Financial Officer of the Texas Heart Institute. He is on the board of the Development Corp of Israel (Israel Bonds) and served on the Board of the National World War II Museum.

Over the course of his distinguished 50-year career, Mr. Zeidman has been involved in numerous high-profile workouts, restructurings and reorganizations. He was the former CEO, President and Chairman of Seitel, Inc., a Houston-based onshore seismic data provider where he was instrumental in the successful turnaround of the Company. He held the post of Chairman of the Board and CEO of Unibar Corporation, the largest domestic independent drilling fluids company, until its sale to Anchor Drilling Fluids in 1992.

Mr. Zeidman holds a Bachelor's degree from Washington University in St. Louis and a Master's in Business Administration from New York University.

Director Qualifications:

The Board of Directors believes that Mr. Zeidman is highly qualified to serve as a member of the Board due to his significant experience serving as a director of public and private companies and institutions and his substantial understanding of the oil and gas industry in general.

James G. Miller, Director

Mr. Miller is a retired corporate executive, having served as president and CEO of several energy companies. He has previously served on the Board of Directors of companies listed on NYSE, NASDAQ and the Australian Stock Exchange. From 2009 until 2016, Mr. Miller served as a Director of Guardian 8 Holdings. From December 31, 2010 through March 2018, he was a Director of Enerjex Resources, Inc. (NYSE American), an oil and gas exploration and production company, and chaired the Audit Committee. In March 2018, Enerjex executed a merger which concluded his Board service.

He also served on the Board of Trustees of The Nature Conservancy, Missouri Chapter, for 16 years and is a past Board Chair. Mr. Miller holds a BS in Electrical Engineering and an MBA in management from the University of Wisconsin-Madison.

Director Qualifications:

The Board of Directors believes that Mr. Miller is highly qualified to serve as a member of the Board due to his experience having served as president and CEO of several energy companies and serving on the Board of Directors of several publicly-traded companies.

Robert Green, Director

Robert Green was appointed to the Board of Directors in conjunction with the acquisition of Viking and is a former Fortune 100 chief executive officer in the energy, telecommunication and utility industries, and has extensive experience in capital markets, mergers and acquisitions, and regulatory and legislative strategies. Mr. Green has served on the boards of directors of seven publicly traded companies and was elected chairman of the board of two New York Stock Exchange (NYSE) companies and three other publicly listed companies. He guided these companies and others in capital markets strategies involving initial public offerings (IPOs) and private investments with a combined value of more than $5 billion and more than 50 merger, acquisition and divestiture transactions, some of which surpassed $1 billion. Mr. Green has been a Partner at the law firm Husch Blackwell since 2003.

Director Qualifications:

The Board of Directors believes that Mr. Green is highly qualified to serve as a member of the Board due to his experience having served as CEO of several energy companies and serving on the Board of Directors of several publicly-traded companies.

Family Relationships

There are no family relationships among our directors or executive officers.

Arrangements between Officers and Directors

To our knowledge, there is no arrangement or understanding between any of our officers and any other person, including directors, pursuant to which the officer was selected to serve as an officer.

Involvement in Certain Legal Proceedings

To the best of our knowledge, during the past ten years, none of our directors or executive officers were involved in any of the following: (1) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (2) any conviction in a criminal proceeding or being a named subject to a pending criminal proceeding (excluding traffic violations and other minor offenses); (3) being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; (4) being found by a court of competent jurisdiction (in a civil action), the SEC or the Commodities Futures Trading Commission to have violated a federal or state securities or commodities law, (5) being the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of (i) any Federal or State securities or commodities law or regulation; (ii) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or (iii) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or (6) being the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Information Concerning the Board and its Committees

All directors hold office until the next annual meeting of stockholders and until their successors have been duly elected and qualified. There are no agreements with respect to the election of directors. We have previously compensated our directors for service on the Board and committees thereof through the issuance of shares of common stock, stock options and cash compensation for meeting fees. Additionally, we reimburse directors for expenses incurred by them in connection with the attendance at meetings of the Board and any committee thereof (as described below). The Board appoints annually the executive officers of the Company and the executive officers serve at the discretion of the Board.

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Executive Sessions of the Board

The independent members of the Board of the Company meet in executive session (with no management directors or management present) from time to time, but at least once annually. The executive sessions include whatever topics the independent directors deem appropriate.

Risk Oversight

The Board exercises direct oversight of strategic risks to the Company. The Audit Committee reviews and assesses the Company's processes to manage business and financial risk and financial reporting risk. It also reviews the Company's policies for risk assessment and assesses steps management has taken to control significant risks. The Compensation Committee oversees risks relating to compensation programs and policies. In each case management periodically reports to our Board or relevant committee, which provides the relevant oversight on risk assessment and mitigation.

Communicating with our Board

Stockholders may contact the Board about bona fide issues or questions about the Company by writing the Secretary at the following address: Attn: Secretary, Camber Energy, Inc., 15915 Katy Freeway, Suite 450, Houston, Texas 77094.

Our Secretary, upon receipt of any communication other than one that is clearly marked "Confidential," will note the date the communication was received, open the communication, make a copy of it for our files and promptly forward the communication to the director(s) to whom it is addressed. Upon receipt of any communication that is clearly marked "Confidential," our Secretary will not open the communication, but will note the date the communication was received and promptly forward the communication to the director(s) to whom it is addressed. If the correspondence is not addressed to any particular Board member or members, the communication will be forwarded to a Board member to bring to the attention of the Board.

Board and Committee Activity and Compensation

For the nine months ending December 31, 2020, the Board held 14 meetings and took various other actions via the unanimous written consent of the Board and the various committees described below. All directors attended at least 75% of the Board of Directors meetings and committee meetings relating to the committees on which each director served. All of the then current directors attended our fiscal year 2020 Annual Stockholder meeting held on March 11, 2020. The Company encourages, but does not require all directors to be present at annual meetings of stockholders.

The Board has a standing Audit Committee, Compensation Committee, and Nominating and Governance Committee. Mr. Fred Zeidman and Mr. James G. Miller are "independent" members of the Board, as defined in Section 803(A) of the NYSE American Company Guide. Committee membership and the functions of those committees are described below.

Board of Directors Committee Membership

	Audit Committee	Compensation Committee	Nominating and Governance Committee
James A. Doris			
Robert Green			
Fred Zeidman	M	C	C

James G. Miller	C	M	M

C Chairman of Committee.
M – Member.

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Audit Committee

The Board has selected the members of the Audit Committee based on the Board's determination that the members are financially literate and qualified to monitor the performance of management and the independent auditors and to monitor our disclosures so that our disclosures fairly present our business, financial condition and results of operations.

The Audit Committee's function is to provide assistance to the Board in fulfilling the Board's oversight functions relating to the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the independent auditor's qualifications and independence and the performance of the Company's independent auditors, and perform such other activities consistent with its charter and our Bylaws as the Committee or the Board deems appropriate. The Audit Committee produces an annual report for inclusion in our proxy statement. The Audit Committee is directly responsible for the appointment, retention, compensation, oversight and evaluation of the work of the independent registered public accounting firm (including resolution of disagreements between our management and the independent registered public accounting firm regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The Audit Committee shall review and pre-approve all audit services, and non- audit services that exceed a de minimis standard, to be provided to us by our independent registered public accounting firm. The Audit Committee carries out all functions required by the NYSE American, the SEC and the federal securities laws.

The Audit Committee has the sole authority, at its discretion and at our expense, to retain, compensate, evaluate and terminate our independent auditors and to review, as it deems appropriate, the scope of our annual audits, our accounting policies and reporting practices, our system of internal controls, our compliance with policies regarding business conduct and other matters. In addition, the Audit Committee has the authority, at its discretion and at our expense, to retain special legal, accounting or other advisors to advise the Audit Committee.

The Board has determined that Mr. Fred Zeidman and Mr. James G. Miller are "independent," and that Mr. Miller is an "audit committee financial expert" (as defined in the SEC rules) because he has the following attributes: (i) an understanding of generally accepted accounting principles in the United States of America ("GAAP") and financial statements; (ii) the ability to assess the general application of such principles in connection with accounting for estimates, accruals and reserves; (iii) experience analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by our financial statements; (iv) an understanding of internal control over financial reporting; and (v) an understanding of audit committee functions. Mr. Miller has acquired these attributes by means of having held various positions that provided relevant experience, as described in his biographical information above.

For the nine-month period ended December 31, 2020, the Audit Committee held three formal meetings, and took various actions via a unanimous written consent of the committee. The Audit Committee's charter is available on our website at www.camber.energy at "Governance" "Policies" and was filed as Exhibit 14.3 to our Annual Report on Form 10-K/A for the year ended March 31, 2009, filed with the Commission on July 29, 2009.

Compensation Committee

The Compensation Committee is responsible for the administration of our stock compensation plans, approval, review and evaluation of the compensation arrangements for our executive officers and directors and oversees and advises the Board on the adoption of policies that govern the Company's compensation and benefit programs. In addition, the Compensation Committee has the authority, at its discretion and at our expense, to retain advisors to advise the Compensation Committee. The Compensation Committee may delegate its authority to subcommittees of independent directors, as it deems appropriate.

For the year ended December 31, 2020, the Compensation Committee held no formal meetings. The Compensation Committee's charter is available on our website at www.camber.energy at "Governance" - "Policies" and was filed as Exhibit 14.5 to our Annual Report on Form 10-K/A for the year ended March 31, 2009, filed with the Commission on July 29, 2009.

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Nominating and Governance Committee

The Nominating and Governance Committee is responsible for (1) assisting the Board by identifying individuals qualified to become Board members; (2) recommending individuals to the Board for nomination as members of the Board and its committees; (3) leading the Board in its annual review of the Board's performance; (4) monitoring the attendance, preparation and participation of individual directors and to conduct a performance evaluation of each director prior to the time he or she is considered for re-nomination to the Board; (5) reviewing and recommending to the Board responses to shareowner proposals; (6) monitoring and evaluating corporate governance issues and trends; (7) providing oversight of the corporate governance affairs of the Board and the Company, including consideration of the risk oversight responsibilities of the full Board and its committees; (8) assisting the Board in organizing itself to discharge its duties and responsibilities properly and effectively; and (9) assisting the Board in ensuring proper attention and effective response to stockholder concerns regarding corporate governance. We have not paid any third party a fee to assist in the process of identifying and evaluating candidates for director.

The Nominating and Governance Committee uses a variety of methods for identifying and evaluating director nominees. The Nominating and Governance Committee also regularly assesses the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or other circumstances. In addition, the Nominating and Governance Committee considers, from time to time, various potential candidates for directorships. Candidates may come to the attention of the Nominating and Governance Committee through current Board members, professional search firms, stockholders or other persons. These candidates may be evaluated at regular or special meetings of the Nominating and Governance Committee and may be considered at any point during the year.

The Nominating and Governance Committee evaluates director nominees at regular or special Committee meetings pursuant to the criteria described above and reviews qualified director nominees with the Board. The Committee selects nominees that best suit the Board's current needs and recommends one or more of such individuals for election to the Board.

The Nominating and Governance Committee will consider candidates recommended by stockholders, provided the names of such persons, accompanied by relevant biographical information, are properly submitted in writing to the Secretary of the Company in accordance with the manner described below. The Secretary will send properly submitted stockholder recommendations to the Committee. Individuals recommended by stockholders in accordance with these procedures will receive the same consideration received by individuals identified to the Committee through other means. The Committee also may, in its discretion, consider candidates otherwise recommended by stockholders without accompanying biographical information, if submitted in writing to the Secretary.

In addition, the Company's Bylaws permit stockholders to nominate directors at an annual meeting of stockholders or at a special meeting at which directors are to be elected in accordance with the notice of meeting pursuant to the requirements of the Company's Bylaws and applicable NYSE American and SEC rules and regulations.

For the year ended December 31, 2021, the Nominating and Governance Committee held no formal meetings, but did take various actions via a unanimous written consent of the committee. The Nominating and Governance Committee's charter is available on our website at www.camber.energy at "Governance" - "Policies" and was filed as Exhibit 99.2 to the Company's Annual Report on Form 10-K for the year ended March 31, 2013, filed with the Commission on June 28, 2013.

Director Nominations Process. As described above, the Nominating and Governance Committee will consider qualified director candidates recommended in good faith by stockholders, provided those nominees meet the requirements of NYSE American and applicable federal securities law. The Nominating and Governance Committee's evaluation of candidates recommended by stockholders does not differ materially from its evaluation of candidates recommended from other sources. Any stockholder wishing to recommend a nominee should submit the candidate's name, credentials, contact information and his or her written consent to be considered as a candidate. These recommendations should be submitted in writing to the Company, Attn: Secretary, Camber Energy, Inc., 1415 Louisiana, Suite 3500, Houston, Texas 77002. The proposing stockholder should also include his or her contact information and a statement of his or her share ownership. The Committee may request further information about stockholder recommended nominees in order to comply with any applicable laws, rules, the Company's Bylaws or regulations or to the extent such information is required to be provided by such stockholder pursuant to any applicable laws, rules or regulations.

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Delinquent Section 16(a) Reports

None.

CODE OF BUSINESS AND ETHICAL CONDUCT

On November 29, 2016, the Board of Directors approved and adopted an amended and restated Code of Business and Ethical Conduct (the "Revised Code"), which applies to all officers, directors and employees. The Revised Code replaced the Company's prior Code of Ethics adopted in June 2009 and reflects, among other matters, clarifications and revisions relating to conflicts of interest, confidentiality, compliance with laws, reporting and enforcement, and other matters intended to update the Company's Code of Ethics.

You can access our Revised Code on our website at www.camber.energy, and any stockholder who so requests may obtain a free copy of our Code of Ethics by submitting a written request to our Secretary. Additionally, the Code of Ethics was filed as an exhibit to the Company's Form 8-K dated November 29, 2016, filed with the SEC on December 5, 2016, as Exhibit 14.1 thereto.

We intend to disclose any amendments or future amendments to our Revised Code and any waivers with respect to our Revised Code granted to our principal executive officer, our principal financial officer, or any of our other employees performing similar functions on our website at www.camber.energy within four business days after the amendment or waiver. In such case, the disclosure regarding the amendment or waiver will remain available on our website for at least 12 months after the initial disclosure. There have been no waivers granted with respect to our Revised Code to any such officers or employees.

The Revised Code includes a policy on reporting illegal or unethical business or workplace conduct by employees, officers or members of the Board, which replaced our prior Whistleblower Protection Policy adopted in 2009.

Policy on Equity Ownership

The Company does not have a policy on equity ownership at this time.

Policy Against Hedging

The Company does not currently have a policy against hedging.

Compensation Recovery

Under the Sarbanes–Oxley Act of 2002 (the "Sarbanes-Oxley Act"), in the event of misconduct that results in a financial restatement that would have reduced a previously paid incentive amount, we can recoup those improper payments from our Chief Executive Officer and Chief Financial Officer. We plan to implement a clawback policy in the future, although we have not yet implemented such policy.

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ITEM 11. EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information concerning the compensation of our Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and the most highly compensated executive officer other than the CEO and CFO who was serving as an executive officer of the Company for the year ended December 31, 2021and for the nine months ended December 31, 2020 (the Company did not have any executive officers other than its CEO and CFO as of December 31, 2021 and December 31, 2020), and up to two additional individuals for whom disclosure would have been required had they been serving as an executive officer at the end of the last completed fiscal year (collectively, the "Named Executive Officers").

Name and Principal Position	Period Ending	Consulting Fees/Salary	Bonus	Stock Awards	All Other Compensation*	Total
James A. Doris	December 31, 2021	$ —	$ —	$ —	$ 180,000(2)	$ 180,000
Chief Executive Officer (1)	December 31, 2020	N/A	N/A	N/A	N/A	N/A
Frank W. Barker, Jr.	December 31, 2021	$ —	$ —	$ —	$ 180,000(4)	$ 180,000
Chief Financial Officer (3)	December 31, 2020	N/A	N/A	N/A	N/A	N/A
Louis G. Schott	December 31, 2021	$ 176,836(7)	$ -	$ —	-	$ 176,836
Former Interim Chief Executive Officer (5)	December 31, 2020	$ 300,000(7)	$ 150,000	$ —	$ 38,851(8)	$ 488,851
Robert Schleizer	December 31, 2021	$ 165,052(9)	$ -	$ —	$ - (10)	$ 165,052
Former Chief Financial Officer (6)	December 31,2020	$ 360,000(9)	$ 150,000	$ —	$ 40,000(10)	$ 550,000

* Does not include perquisites and other personal benefits, or property, unless the aggregate amount of such compensation is more than $10,000.

No executive officer earned any non-equity incentive plan compensation or nonqualified deferred compensation during the periods reported above. The value of the Stock Awards in the table above was calculated based on the fair value of such securities calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718.

(1) Mr. Doris was appointed as Chief Executive Officer on December 23, 2020.

(2) The amount included in “All Other Compensation” for the year ended December 31, 2021, is comprised of $180,000 paid AGD Advisory Group, Inc., a company affiliated with Mr. Doris.

(3) Mr. Barker was appointed as Chief Financial Officer on December 23, 2020.

(4) The amount included in “All Other Compensation” for the year ended December 31, 2021, is comprised of $180,000 paid FWB Consulting, Inc., a company affiliated with Mr. Barker

(5) Mr. Schott served as the Interim Chief Executive Officer of Camber from May 2018 through his resignation on December 23, 2020.

(6) Mr. Schleizer served as Chief Financial Officer (beginning as Interim Chief Financial Officer) since June 2, 2017, as a member of the Board of Directors since October 6, 2017, and as Treasurer of Camber since January 9, 2018. He resigned from all three positions on December 23, 2020.

(7) Mr. Schott works on a consulting basis through Fides Energy LLC (“Fides”). Total fees paid by Camber to Fides during the year ended December 31 2021 and the nine months ended December 31, 2020 were $176,836 and In addition to his monthly $25,000 fee, plus expenses, throughout 2020, Fides was paid a $150,000 bonus for past services and upon completion of the Viking acquisition, and a CEO termination fee of $86,742.

(8) Represents amounts paid to Mr. Schott in connection with reimbursement for health insurance premiums.

(9) Mr. Schleizer is the Managing Partner of BlackBriar Advisors LLC (“BlackBriar”). In addition to financial management, BlackBriar provides accounting, treasury, administrative and financial reporting services to Camber. Total fees paid by Camber to BlackBriar during the year ended December 31, 2021 and the nine-month period ended December 31, 2020 were $165,042 and 550,000, respectively.

(10) Mr. Schleizer also received director’s fees from Camber for the nine months ended December 31, 2020 of $40,000.

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Employment Agreements

As of December 31, 2021, the Company did not have any formal compensation arrangements with any executive except that the Company had orally agreed to pay, commencing April 2021, the entity of the Company's CEO $20,000 per month, and the entity of the Company's CFO $20,000 per month. The Company has no employees, but engages professional consultants as needed.

Engagement Agreement

Mr. Louis G. Schott was appointed as Interim Chief Executive Officer of the Company on May 25, 2018. In connection with Mr. Schott's appointment as Interim Chief Executive Officer of the Company, the Company entered into an engagement letter with Fides (the "2018 Engagement"). Pursuant to the letter, Fides agreed to supply Mr. Schott's services to the Company as Interim Chief Executive Officer and we agreed to pay Fides $25,000 per month for the use of Mr. Schott's services. The agreement was terminated can be terminated by either party with 90 days' notice and terminates automatically upon the death of Mr. Schott. Pursuant to the agreement, Mr. Schott is also eligible to receive bonus compensation at the discretion of the Board of Directors. Mr. Schott received a $150,000 bonus on December 23, 2020 and the 2018 Engagement was also terminated.

Letter Agreement

Effective on December 1, 2017, the Company entered into a letter agreement (the "2017 Engagement") with BlackBriar Advisors LLC ("BlackBriar"), pursuant to which BlackBriar agreed to provide advisory and accounting services to the Company and to make Mr. Robert Schleizer available to the Company as the Company's Chief Financial Officer. In consideration for such services, the Company agreed to pay BlackBriar a fee of $40,000 per month, and to reimburse BlackBriar for reasonable customary and necessary expenses including for travel and related costs. BlackBriar is also eligible for bonuses in the discretion of the Compensation Committee of the Company. The letter agreement includes customary indemnification obligations and can be terminated at any time upon written notice of either party with no penalty. Mr. Schleizer received a $150,000 bonus on December 23, 2020 and the 2017 Engagement was also terminated on December 23, 2020.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

None of our Named Executive Officers had any stock options or stock awards outstanding as of December 31, 2021.

DIRECTOR COMPENSATION

The following table sets forth compensation information with respect to our non-executive directors for the year ended December 31, 2021.

Name	Fees Earned or Paid in Cash ($)	Option Awards ($)	All Other Compensation ($)	Total ($)
Fred S. Zeidman (1)	$ 53,336	$ —	$ -	$ 53,336
James G. Miller (1)	$ 53,336	$ —	$ -	$ 53,336
Robert Green (1)	$ 53,336	$ —	$ -	$ 53,336

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The table above does not include the amount of any expense reimbursements paid to the above directors. No directors received any Stock Awards, Non-Equity Incentive Plan Compensation, or Nonqualified Deferred Compensation Earnings during the period presented. Does not include perquisites and other personal benefits, or property, unless the aggregate amount of such compensation is more than $10,000.

In 2021 and 2020, the Company paid each member of the Board of Directors their pro rata portion of a $40,000 quarterly Board fee in cash, payable in arrears and based on the number of members of the Board at the end of each calendar quarter (for example if there are three (3) members of the board at the end of a calendar quarter, each member would receive $13,333 in total compensation for such applicable calendar quarter).

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table presents certain information as of December 31, 2021, as to:

- each stockholder known by us to be the beneficial owner of more than five percent of our outstanding shares of common stock,
- each director,
- each Named Executive Officer, and
- all directors and executive officers as a group.

The percentages shown in the table under the column "Percent" are based on 360,111,110 shares of common stock outstanding as of May 6, 2022.

Beneficial ownership is determined in accordance with the rules of the SEC and includes voting and/or investing power with respect to securities. These rules generally provide that shares of common stock subject to options, warrants or other convertible securities that are currently exercisable or convertible, or exercisable or convertible within 60 days of the applicable date of determination, are deemed to be outstanding and to be beneficially owned by the person or group holding such options, warrants or other convertible securities for the purpose of computing the percentage ownership of such person or group, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person or group.

To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to applicable community property laws. Unless otherwise indicated, the address for each of the officers or directors listed in the table below is 15915 Katy Freeway, Suite 450, Houston, Texas 77094.

Stockholder	Number of Shares of Common Stock	Percent of Common Stock(#)
Executive Officers and Directors		
James A. Doris	—	—%
Frank W. Barker	—	—%
Robert Green	—	—%
Fred S. Zeidman	—	—%
James G. Miller	—	—%
All Executive Officers and Directors as a Group (Four Persons)	—	—
Greater than 5% Stockholders		
Discover Growth Fund (1)	35,975,100	9.99%

* Indicates beneficial ownership of less than 1% of the outstanding common stock.

(1) 103 South Church Street, 4th Floor, Grand Cayman KYI-002, Cayman Islands. The holder holds 2,093 shares of Series C Redeemable Convertible Preferred Stock; provided that the Company may not issue shares which, when aggregated with all other shares of common stock then deemed beneficially owned by the holder, would result in the reporting person holding at any one time more than 9.99% of all common stock outstanding immediately after giving effect to such issuance.

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ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Related Party Transactions

The Company's CEO and director, James Doris, renders professional services to the Company through AGD Advisory Group, Inc., an affiliate of Mr. Doris'.

The Company's CFO, Frank W. Barker, Jr., renders professional services to the Company through FWB Consulting, Inc., an affiliate of Mr. Barker's.

Related Party Office Space Use

As of December 31, 2020, the Company consolidated its office into Viking's office in Houston. Prior to that, BlackBriar provided Camber's office space without charge to Camber.

Director Independence

During the year ended December 31, 2021, the Board determined that 75% of the Board is independent under the definition of independence and in compliance with the listing standards of the NYSE American listing requirements. Based upon these standards, the Board has determined that Mr. Miller and Mr. Zeidman and Mr. Green are "independent" members of the Board of Directors as defined in Section 803(A) of the NYSE American Company Guide, and Mr. Doris is not "independent" due to his status as an officer of the Company (see "Item 10. Directors, Executive Officers and Corporate Governance").

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ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our Audit Committee of the Board of Directors approves in advance the scope and cost of the engagement of an auditor before the auditor renders audit and non-audit services.

The following table sets forth the fees billed by our former independent accounting firm, Marcum LLP and our current independent accounting firm, Turner, Stone & Company, LLP, and prior independent accounting firms, for each of our last two fiscal years. (see Item 9)

	December 31, 2021	December 31, 2020
Marcum	$ 495,505	$ 323,100
Turner Stone	145,000	-

Audit Related Fees: A total of $100,000 of the fees disclosed above for fiscal 2020 relate to the audit of Lineal in connection with the Company's July 2019 acquisition of Lineal (which has since been divested).

Tax Fees: None.

All Other Fees: A total of $30,000 of the fees disclosed above for fiscal 2020 relate to the review of the Company's pro forma financial statements relating to the July 2019 acquisition of Lineal (which has since been divested).

We do not use the auditors for financial information system design and implementation. Such services, which include designing or implementing a system that aggregates source data underlying the financial statements or that generates information that is significant to our financial statements, are provided internally or by other service providers. We do not engage the auditors to provide compliance outsourcing services.

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PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as part of this report

(1) All financial statements

(2) Financial Statement Schedules

All financial statement schedules have been omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the financial statements and notes thereto included in this Form 10-K.

(2) Exhibits required by Item 601 of Regulation S-K

The information required by this Section (a)(3) of Item 15 is set forth on the exhibit index that follows the Signatures page of this Form 10-K.

ITEM 16. FORM 10–K SUMMARY

None.

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SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CAMBER ENERGY, INC.

BY:*/s/ James A. Doris*
James A. Doris
Chief Executive Officer

(Principal Executive Officer)

Dated: June 7, 2022

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ James A Doris James A. Doris	Chief Executive Officer (Principal Executive Officer) and Director	June 7, 2022
/s/ Frank W. Barker, Jr. Frank W. Barker, Jr.	Chief Financial Officer (Principal Financial and Accounting Officer)	June 7, 2022
/s/ Fred S. Zeidman Fred S. Zeidman	Director	June 7, 2022
/s/ James Miller James Miller	Director	June 7, 2022
/s/ Robert Green Robert Green	Director	June 7, 2022

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EXHIBIT INDEX

Exhibit No.	Description
2.1	Asset Purchase Agreement by and between Lucas Energy, Inc., as purchaser, Segundo Resources, LLC, as seller representative to the various sellers named therein, and the sellers named therein dated December 30, 2015+ (incorporated by reference to Exhibit 2.1 of the Form 8-K filed by the Company with the SEC on December 31, 2015)
2.2	First Amendment to Asset Purchase Agreement by and between Lucas Energy, Inc., as purchaser, Segundo Resources, LLC, as seller representative to the various sellers named therein, and the sellers named therein dated April 20, 2016 and effective April 1, 2016 (Filed as Exhibit 2.2 to the Company's Report on Form 8-K, filed with the Commission on April 25, 2016, and incorporated herein by reference)(File No. 001-32508)
2.3	Second Amendment to Asset Purchase Agreement by and between Lucas Energy, Inc., as purchaser, Segundo Resources, LLC, as seller representative to the various sellers named therein, and the sellers named therein dated August 25, 2016 (Filed as Exhibit 2.1 to the Company's Current Report on Form 8-K, filed with the Commission on August 31, 2016, and incorporated herein by reference)(File No. 001-32508)
2.4	Third Amendment to Asset Purchase Agreement by and among the Company, as purchaser, Segundo Resources, LLC, as seller representative to the various sellers named therein, and the sellers named therein dated August 25, 2016 (Filed as Exhibit 2.4 to the Company's Current Report on Form 8- K, filed with the Commission on January 27, 2017, and incorporated herein by reference)(File No. 001-32508)
2.5	Asset Purchase Agreement by and Between N&B Energy, LLC, as Purchaser and Camber Energy, Inc., as Seller, dated July 12, 2018 (Filed as Exhibit 2.1 to the Company's Report on Form 8-K, filed with the Commission on July 13, 2018 and incorporated herein by reference) (File No. 001- 32508)

2.6	First Amendment to Asset Purchase Agreement by and Between N&B Energy, LLC, as Purchaser and Camber Energy, Inc., as Seller, dated August 2, 2018 (Filed as Exhibit 2.2 to the Company's Report on Form 8-K, filed with the Commission on August 7, 2018 and incorporated herein by reference) (File No. 001-32508)
2.7	Second Amendment to Asset Purchase Agreement by and Between N&B Energy, LLC, as Purchaser, Camber Energy, Inc., as Seller and CE Operating, LLC, dated September 24, 2018 (Filed as Exhibit 2.3 to the Company's Report on Form 8-K, filed with the Commission on September 25, 2018 and incorporated herein by reference) (File No. 001-32508)
2.8#	Agreement and Plan of Merger by and between Camber Energy, Inc., Camber Energy Merger Sub 2, Inc., Lineal Star Holdings, LLC, and the Members party thereto dated as of July 8, 2019 (Filed as Exhibit 2.1 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
2.9#	Preferred Stock Redemption Agreement dated December 31, 2019, by and among Camber Energy, Inc., Lineal Star Holdings LLC, Lineal Industries Inc., Lineal Star, Incorporated and each of the holders of the Series E Redeemable Convertible Preferred Stock and Series F Redeemable Preferred Stock of Camber (Filed as Exhibit 2.1 to the Company's Report on Form 8-K, filed with the Commission on January 3, 2019 and incorporated herein by reference) (File No. 001-32508)
2.10#	Agreement and Plan of Merger by and Between Viking Energy Group, Inc., and Camber Energy, Inc. dated as of February 3, 2020 (Filed as Exhibit 2.1 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001- 32508)
2.11	First Amendment to Agreement and Plan of Merger, dated as of May 27, 2020, by and between Viking Energy, Inc. and Camber Energy, Inc. (Filed as Exhibit 2.2 to the Company's Report on Form 8-K, filed with the Commission on June 1, 2020 and incorporated herein by reference) (File No. 001- 32508)

2.12	Second Amendment to Agreement and Plan of Merger, dated as of June 16, 2020, by and between Viking Energy, Inc. and Camber Energy, Inc. (Filed as Exhibit 2.3 to the Company's Report on Form 8-K, filed with the Commission on June 16, 2020 and incorporated herein by reference) (File No. 001-32508)
2.13	Third Amendment to Agreement and Plan of Merger, dated as of June 25, 2020, by and between Viking Energy, Inc. and Camber Energy, Inc. (Filed as Exhibit 2.4 to the Company's Report on Form 8-K, filed with the Commission on June 26, 2020 and incorporated herein by reference) (File No. 001-32508)
3.1	Articles of Incorporation (Filed as Exhibit 3.1 to the Company's Annual Report on Form 10-KSB for the fiscal year ended November 30, 2005 filed with the SEC on February 14, 2006, and incorporated herein by reference)(File No. 000-51414)
3.2	Certificate of Amendment to Articles of Incorporation (Incorporated by reference herein to Exhibit B to the Company's Information Statement on Schedule 14C filed with the SEC on June 1, 2006) (File No. 000-51414)
3.3	Certificate of Amendment to Articles of Incorporation (Incorporated by reference herein to Exhibit B to the Company's Information Statement on Schedule 14C filed with the SEC on February 20, 2007)(File No. 000-51414)
3.4	Certificate of Amendment to Articles of Incorporation (Incorporated by reference herein to Exhibit B to the Company's Proxy Statement on Schedule 14A filed with the SEC on March 11, 2010) (File No. 001-32508)
3.5	Certificate of Amendment to Articles of Incorporation (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on January 11, 2011, and incorporated herein by reference)(File No. 001-32508)
3.6	Certificate of Amendment to Articles of Incorporation (1-for-25 Reverse Stock Split of Common Stock) (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on July 2, 2015, and incorporated herein by reference)(File No. 001-32508)

3.7	Certificate of Amendment to the Articles of Incorporation, amending the Company's name to "Camber Energy, Inc.", filed with the Secretary of State of Nevada on January 3, 2017 (Filed as Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q, filed with the Commission on February 14, 2017, and incorporated herein by reference)(File No. 001-32508)
3.8	Certificate of Amendment to the Company's Articles of Incorporation to increase the number of our authorized shares of common stock from 200,000,000 to 500,000,000, as filed with the Secretary of State of Nevada on January 10, 2018 (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on January 12, 2018 and incorporated herein by reference) (File No. 001-32508)
3.9	Certificate of Amendment to Articles of Incorporation (1-for-25 Reverse Stock Split of Common Stock) filed with the Nevada Secretary of State on March 1, 2018, and effective March 5, 2018 (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on March 2, 2018 and incorporated herein by reference) (File No. 001-32508)
3.10	Certificate of Change Pursuant to Nevada Revised Statutes Section 78.209, as filed by Camber Energy, Inc. with the Secretary of State of the State of Nevada on December 20, 2018 (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on December 26, 2018 and incorporated herein by reference)(File No. 001-32508)
3.11	Certificate of Amendment to the Company's Articles of Incorporation to increase the number of our authorized shares of common stock from 20,000,000 to 250,000,000, as filed with the Secretary of State of Nevada on April 10, 2019 (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on April 11, 2019, and incorporated herein by reference)(File No. 001-32508)
3.12	Certificate of Amendment to Articles of Incorporation (1-for-25 Reverse Stock Split of Common Stock) filed with the Nevada Secretary of State on July 3, 2019, and effective July 8, 2019 (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on July 8, 2019 and incorporated herein by reference) (File No. 001-32508)
3.13	Camber Energy, Inc. Amended and Restated Certificate of Designations of Preferences, Powers, Rights and Limitations of Series C Redeemable Convertible Preferred Stock as filed with the Secretary of State of Nevada on July 8, 2019 (Filed as Exhibit 3.1 to the Company's Report on Form 8- K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
3.14	State of Delaware Certificate of Merger of Domestic Corporation Into Domestic Limited Liability Company, filed with the Secretary of State of Delaware on July 10, 2019, and effective July 9, 2019, merging Camber Energy Merger Sub 2, Inc. into Lineal Star Holdings LLC (Filed as Exhibit 3.8 to the Company's Quarterly Report on Form 10-Q, filed with the Commission on August 14, 2019 and incorporated herein by reference) (File No. 001-32508)
3.15	Certificate of Change Pursuant to Nevada Revised Statutes Section 78.209, filed by Camber Energy, Inc. with the Secretary of State of Nevada on October 25, 2019 and effective on October 29, 2019 (Filed as Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the Commission on October 29, 2019 and incorporated herein by reference) (File No. 001-32508)

3.16	Certificate of Amendment to Articles of Incorporation (Increase in Authorized Common Stock to 25 Million Shares) filed with the Nevada Secretary of State on April 16, 2020, and effective April 16, 2020
3.17	Certificate of Withdrawal of Certificate of Designation of Series A Convertible Preferred Stock filed with the Secretary of State of Nevada on May 15, 2020 (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on May 19, 2020, and incorporated herein by reference)(File No. 001-32508)
3.18	Certificate of Withdrawal of Certificate of Designation of Series B Redeemable Convertible Preferred Stock filed with the Secretary of State of Nevada on May 15, 2020 (Filed as Exhibit 3.2 to the Company's Report on Form 8-K, filed with the Commission on May 19, 2020, and incorporated herein by reference)(File No. 001-32508)

3.19	Certificate of Withdrawal of Certificate of Designation of Series D Convertible Preferred Stock filed with the Secretary of State of Nevada on May 15, 2020 (Filed as Exhibit 3.3 to the Company's Report on Form 8-K, filed with the Commission on May 19, 2020, and incorporated herein by reference)(File No. 001-32508)
3.20	Certificate of Withdrawal of Certificate of Designation of Series E Redeemable Convertible Preferred Stock filed with the Secretary of State of Nevada on May 15, 2020 (Filed as Exhibit 3.4 to the Company's Report on Form 8-K, filed with the Commission on May 19, 2020, and incorporated herein by reference)(File No. 001-32508)
3.21	Certificate of Withdrawal of Certificate of Designation of Series F Redeemable Preferred Stock filed with the Secretary of State of Nevada on May 15, 2020 (Filed as Exhibit 3.5 to the Company's Report on Form 8-K, filed with the Commission on May 19, 2020, and incorporated herein by reference)(File No. 001-32508)
3.22	Amended and Restated Bylaws (effective March 29, 2016) (Filed as Exhibit 3.1 to the Company's Report on Form 8-K, filed with the Commission on April 1, 2016, and incorporated herein by reference)(File No. 001-32508)
4.1*	Description of Securities of the Registrant
10.1	Form of Redeemable Convertible Subordinated Debenture (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on April 7, 2016)(File No. 001-32508)
10.2	Form of Common Stock Purchase First Warrant (Incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC on April 7, 2016)(File No. 001-32508)
10.3	Form of Preferred Stock Purchase Agreement (Filed as Exhibit 10.2 to the Company's Report on Form 8-K, filed with the Commission on April 7, 2016, and incorporated herein by reference)(File No. 001-32508)
10.4	Form of First Amendment to Stock Purchase Agreement (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on May 2, 2016, and incorporated herein by reference)(File No. 001-32508)
10.5 ***	Loan Agreement dated August 25, 2016, between Lucas Energy, Inc., as borrower, Richard N. Azar, II, Donnie B. Seay, Richard E. Menchaca, RAD2 Minerals, Ltd., DBS Investments, Ltd., and Saxum Energy, LLC, as guarantors, and International Bank of Commerce, as lender (Filed as Exhibit 10.3 to the Company's Current Report on Form 8-K, filed with the Commission on August 31, 2016, and incorporated herein by reference)(File No. 001- 32508)
10.6	Real Estate Lien Note dated August 25, 2016, by Lucas Energy, Inc., as borrower in favor of International Bank of Commerce, as lender (Filed as Exhibit 10.4 to the Company's Current Report on Form 8-K, filed with the Commission on August 31, 2016, and incorporated herein by reference) (File No. 001-32508)
10.7	Security Agreements dated August 25, 2016 by Lucas Energy, Inc. in favor of International Bank of Commerce (Filed as Exhibit 10.5 to the Company's Current Report on Form 8-K, filed with the Commission on August 31, 2016, and incorporated herein by reference)(File No. 001-32508)
10.8	Form of Limited Guaranty Agreement in favor of International Bank of Commerce dated August 25, 2016 (Filed as Exhibit 10.6 to the Company's Current Report on Form 8-K, filed with the Commission on August 31, 2016, and incorporated herein by reference)(File No. 001-32508)

10.9	Second Amendment to Stock Purchase Agreement dated September 29, 2016 (Filed as Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the Commission on October 3, 2016, and incorporated herein by reference)(File No. 001-32508)
10.10	Form of Third Amendment to Stock Purchase Agreement dated November 17, 2016 (Filed as Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the Commission on November 21, 2016, and incorporated herein by reference)(File No. 001-32508)

10.11 ***	Service Agreement, dated as of April 27, 2017 and effective May 1, 2017, by and between Camber Energy, Inc. and Enerjex Resources (Filed as Exhibit 10.1 to the Company’s Report on Form 8-K, filed with the Commission on May 1, 2017 and incorporated herein by reference)(File No. 001- 32508)
10.12 ***	Severance Agreement and Release between Anthony C. Schnur and the Company dated June 2, 2017 (Filed as Exhibit 10.2 to the Company’s Report on Form 8-K, filed with the Commission on June 6, 2017 and incorporated herein by reference)(File No. 001-32508)
10.13 ***	Termination Agreement dated May 23, 2017, between Camber Energy, Inc. and Richard N. Azar, II (Filed as Exhibit 10.52 to the Company’s Annual Report on Form 8-K for the year ended March 31, 2017, filed with the Commission on July 14, 2017 and incorporated herein by reference)(File No. 001-32508)
10.14	Form of Stock Purchase Agreement relating to the purchase of $16 million in shares of Series C Redeemable Convertible Preferred Stock dated October 5, 2017 (Filed as Exhibit 10.1 to the Company’s Report on Form 8-K, filed with the Commission on October 5, 2017 and incorporated herein by reference)(File No. 001-32508)
10.15	Extension Agreement between Camber Energy, Inc. and International Bank of Commerce relating to the August 30, 2017 payment (Filed as Exhibit 10.2 to the Company’s Report on Form 8-K, filed with the Commission on January 30, 2018 and incorporated herein by reference) (File No. 001- 32508)
10.16	Extension and/or Modification and Release Agreement Commercial Indebtedness effective September 30, 2017, by Camber Energy, Inc., as borrower, Richard N. Azar, II, Donnie B. Seay, Richard E. Menchaca, RAD2 Minerals, Ltd., DBS Investments, Ltd., and Saxum Energy, LLC, as pledgors, and International Bank of Commerce, as lender (Filed as Exhibit 10.2 to the Company’s Report on Form 8-K, filed with the Commission on January 30, 2018 and incorporated herein by reference) (File No. 001-32508)
10.17	Extension and/or Modification and Release Agreement Commercial Indebtedness effective October 30, 2017, by Camber Energy, Inc., as borrower, Richard N. Azar, II, Donnie B. Seay, Richard E. Menchaca, RAD2 Minerals, Ltd., DBS Investments, Ltd., and Saxum Energy, LLC, as pledgors, and International Bank of Commerce, as lender (Filed as Exhibit 10.3 to the Company’s Report on Form 8-K, filed with the Commission on January 30, 2018 and incorporated herein by reference) (File No. 001-32508)
10.18	Extension and/or Modification and Release Agreement Commercial Indebtedness effective November 30, 2017, by Camber Energy, Inc., as borrower, Richard N. Azar, II, Donnie B. Seay, Richard E. Menchaca, RAD2 Minerals, Ltd., DBS Investments, Ltd., and Saxum Energy, LLC, as pledgors, and International Bank of Commerce, as lender (Filed as Exhibit 10.4 to the Company’s Report on Form 8-K, filed with the Commission on January 30, 2018 and incorporated herein by reference) (File No. 001-32508)
10.19	Extension and/or Modification and Release Agreement Commercial Indebtedness effective December 30, 2017, by Camber Energy, Inc., as borrower, Richard N. Azar, II, Donnie B. Seay, Richard E. Menchaca, RAD2 Minerals, Ltd., DBS Investments, Ltd., and Saxum Energy, LLC, as pledgors, and International Bank of Commerce, as lender (Filed as Exhibit 10.47 to the Company’s Quarterly Report on Form 10-Q, for the quarter ended December 31, 2017, filed with the Commission on February 14, 2018 and incorporated herein by reference) (File No. 001-32508)
10.20	Form of Amendment to Stock Purchase Agreement dated March 2, 2018 (Filed as Exhibit 10.2 to the Company’s Report on Form 8-K, filed with the Commission on March 5, 2018 and incorporated herein by reference) (File No. 001-32508)
10.21 ***	Separation and Release Agreement between Camber Energy, Inc. and Richard N. Azar II dated May 25, 2018 (Filed as Exhibit 10.1 to the Company’s Report on Form 8-K, filed with the Commission on May 25, 2018 and incorporated herein by reference) (File No. 001-32508)

10.22 ***	Common Stock Purchase Warrant granted to Richard N. Azar II dated May 25, 2018 (Filed as Exhibit 10.2 to the Company’s Report on Form 8-K, filed with the Commission on May 25, 2018 and incorporated herein by reference) (File No. 001-32508)

10.23 ***	Engagement Letter with Fides Energy LLC/Louis G. Schott dated May 25, 2018 (Filed as Exhibit 10.3 to the Company's Report on Form 8-K, filed with the Commission on May 25, 2018 and incorporated herein by reference) (File No. 001-32508)
10.24	Agreement in Connection with the Loan by and Between Camber Energy, Inc. and International Bank of Commerce (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on August 7, 2018 and incorporated herein by reference) (File No. 001-32508)
10.25	Assumption Agreement dated September 26, 2018, by and between International Bank of Commerce, Camber Energy, Inc., CE Operating, LLC, N&B Energy, LLC, Richard N. Azar, II, RAD2 Minerals, Ltd., Donnie B. Seay, and DBS Investments, Ltd. (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on September 27, 2018 and incorporated herein by reference) (File No. 001-32508)
10.26	Assignment of Production Payment, effective August 1, 2018, by and among N&B Energy, LLC and CE Operating, LLC (Filed as Exhibit 10.2 to the Company's Report on Form 8-K, filed with the Commission on September 27, 2018 and incorporated herein by reference) (File No. 001-32508)
10.27	Assignment of Overriding Royalty Interest, effective August 1, 2018, by CE Operating, LLC in favor of Camber Royalties, LLC (Orion Properties) (Filed as Exhibit 10.3 to the Company's Report on Form 8-K, filed with the Commission on September 27, 2018 and incorporated herein by reference) (File No. 001-32508)
10.28	Assignment of Overriding Royalty Interest, effective August 1, 2018, by N&B Energy, LLC in favor of Camber Royalties, LLC (TAW Leases) (Filed as Exhibit 10.4 to the Company's Report on Form 8-K, filed with the Commission on September 27, 2018 and incorporated herein by reference) (File No. 001-32508)
10.29	Form of Stock Purchase Agreement relating to the purchase of $3.5 million in shares of Series C Redeemable Convertible Preferred Stock dated October 26, 2018 (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on November 1, 2018 and incorporated herein by reference) (File No. 001-32508)
10.30	Consulting Agreement dated November 15, 2018, by and between Camber Energy, Inc. and Regal Consulting (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on November 20, 2018 and incorporated herein by reference) (File No. 001-32508)
10.31	Form of Stock Purchase Agreement relating to the purchase of $28 million in shares of Series C Redeemable Convertible Preferred Stock dated November 23, 2018 (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on November 23, 2018 and incorporated herein by reference) (File No. 001-32508)
10.32	Form of First Amendment to Stock Purchase Agreement relating to the purchase of $28 million in shares of Series C Redeemable Convertible Preferred Stock dated December 3, 2018 (Filed as Exhibit 10.2 to the Company's Report on Form 8-K, filed with the Commission on December 7, 2018 and incorporated herein by reference) (File No. 001-32508)
10.33	Digital Marketing Agreement dated February 13, 2019 by and between Camber Energy, Inc. and SylvaCap Media (Filed as Exhibit 10.14 to the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2018, filed with the Commission on February 14, 2019, and incorporated herein by reference)(File No. 001-32508)
10.34	First Amendment to Consulting Agreement dated February 13, 2019 by and between Camber Energy, Inc. and Regal Consulting (Filed as Exhibit 10.15 to the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2018, filed with the Commission on February 14, 2019, and incorporated herein by reference)(File No. 001-32508)
10.35 ***	Camber Energy, Inc. Amended and Restated 2014 Stock Incentive Plan (Filed as Exhibit 4.1 to the Company's Report on Form 8-K, filed with the Commission on February 22, 2019, and incorporated herein by reference)(File No. 001-32508)
10.36	Agreed Conversion Agreement dated May 15, 2019, by and between Camber Energy, Inc. and Alan Dreeben
10.37 ***	December 1, 2017 Letter Agreement between Camber Energy, Inc. and BlackBriar Advisors LLC (Filed as Exhibit 10.41 to the Company's Annual Report on Form 10-K, filed with the Commission on July 1, 2019, and incorporated herein by reference)(File No. 001-32508)

10.38	Security Exchange Agreement dated July 8, 2019, by and between Camber Energy, Inc., and the investor party thereto (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
10.39	Termination Agreement dated July 8, 2019, by and between Camber Energy, Inc., and the investor party thereto (Filed as Exhibit 10.2 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
10.40	Funding and Loan Agreement dated July 8, 2019, by and among Camber Energy, Inc., Lineal Star Holdings, LLC, and the preferred shareholders party thereto (Filed as Exhibit 10.3 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
10.41	$1,050,000 Promissory Note by Lineal Star Holdings, LLC as borrower in favor of Camber Energy, Inc. as lender, dated July 8, 2019 (Filed as Exhibit 10.4 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001- 32508)
10.42	Form of Indemnification Agreement of Officers and Directors (Filed as Exhibit 10.5 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
10.43	Second Amendment to Consulting Agreement with Regal Consulting effective July 1, 2019 (Filed as Exhibit 10.6 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
10.44	July 8, 2019 Letter Agreement with Sylva International LLC dba SylvaCap Media (Filed as Exhibit 10.7 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
10.45	$1,539,719 Promissory Note effective December 31, 2019, evidencing amounts owed by Lineal Star Holdings, LLC to Camber Energy, Inc. (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on January 3, 2020 and incorporated herein by reference) (File No. 001-32508)
10.46	$800,000 Promissory Note No. 2 effective December 31, 2019, evidencing amounts owed by Lineal Star Holdings, LLC to Camber Energy, Inc. (Filed as Exhibit 10.2 to the Company's Report on Form 8-K, filed with the Commission on January 3, 2020 and incorporated herein by reference) (File No. 001-32508)
10.47 +	Form of Stock Purchase Agreement relating to the purchase of $5 million in shares of Series C Redeemable Convertible Preferred Stock dated February 3, 2020 (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001-32508)
10.48	Form of Waivers and Amendments to Stock Purchase Agreements dated February 3, 2020, by and between Camber Energy, Inc. and the Investor Named Therein (Filed as Exhibit 10.2 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001-32508)
10.49 +	Securities Purchase Agreement dated as of February 3, 2020 by and Between Camber Energy, Inc. (Purchaser) and Viking Energy Group, Inc. (Filed as Exhibit 10.3 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001-32508)
10.50	$5,000,000 10.5% Secured Promissory Note Issued by Viking Energy Group, Inc. to Camber Energy, Inc. Dated February 3, 3020 (Filed as Exhibit 10.4 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001- 32508)
10.51	Security and Pledge Agreement, dated as of February 3, 2020 by and among Viking Energy Group, Inc. and Camber Energy, Inc. (Filed as Exhibit 10.5 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001- 32508)

10.52	Security and Pledge Agreement, dated as of February 3, 2020 by and among Viking Energy Group, Inc. and Camber Energy, Inc. (Filed as Exhibit 10.6 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001- 32508)
10.53	Assignment of Membership Interests by Viking Energy Group, Inc. in favor of Camber Energy, Inc. dated February 3, 2020 (Filed as Exhibit 10.7 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001-32508)

10.54	Compromise Settlement Agreement executed January 31, 2020 between PetroGlobe Energy Holdings, LLC, Signal Drilling, LLC, Petrolia Oil, LLC, Prairie Gas Company of Oklahoma, LLC, Canadian River Trading Company, LLC, and Camber Energy, Inc. (Filed as Exhibit 10.8 to the Company's Report on Form 8-K, filed with the Commission on February 5, 2020 and incorporated herein by reference) (File No. 001-32508)
10.55	February 15, 2020 Letter Agreement with Sylva International LLC dba SylvaCap Media (Filed as Exhibit 10.1 to the Company's Report on Form 8- K, filed with the Commission on May 13, 2020 and incorporated herein by reference) (File No. 001-32508)
10.56	Form of Stock Purchase Agreement relating to the purchase of $6 million in shares of Series C Redeemable Convertible Preferred Stock dated June 22, 2020 (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on June 23, 2020 and incorporated herein by reference) (File No. 001-32508)
10.57	Form of Amendment to Stock Purchase Agreements dated June 22, 2020, by and between Camber Energy, Inc. and the Investor Named Therein (Filed as Exhibit 10.2 to the Company's Report on Form 8-K, filed with the Commission on June 23, 2020 and incorporated herein by reference) (File No. 001-32508)
10.58 +	Securities Purchase Agreement dated as of June 25, 2020 by and Between Camber Energy, Inc. (Purchaser) and Viking Energy Group, Inc. (Filed as Exhibit 10.1 to the Company's Report on Form 8-K, filed with the Commission on June 26, 2020 and incorporated herein by reference) (File No. 001-32508)
10.59	$5,000,000 10.5% Secured Promissory Note Issued by Viking Energy Group, Inc. to Camber Energy, Inc. Dated June 25, 2020 (Filed as Exhibit 10.2 to the Company's Report on Form 8-K, filed with the Commission on June 26, 2020 and incorporated herein by reference) (File No. 001-32508)
10.60	Security and Pledge Agreement, dated as of June 25, 2020 by and among Viking Energy Group, Inc. and Camber Energy, Inc. (Filed as Exhibit 10.3 to the Company's Report on Form 8-K, filed with the Commission on June 26, 2020 and incorporated herein by reference) (File No. 001-32508)
10.61	Amended and Restated Security and Pledge Agreement, dated as of June 25, 2020 by and among Viking Energy Group, Inc. and Camber Energy, Inc. (Filed as Exhibit 10.4 to the Company's Report on Form 8-K, filed with the Commission on June 26, 2020 and incorporated herein by reference) (File No. 001-32508)
10.62	Assignment of Membership Interests by Viking Energy Group, Inc. in favor of Camber Energy, Inc. dated June 25, 2020 (Filed as Exhibit 10.5 to the Company's Report on Form 8-K, filed with the Commission on June 26, 2020 and incorporated herein by reference) (File No. 001-32508)
16.1	Letter dated August 2, 2018 from GBH CPAs, PC to the Securities and Exchange Commission (Filed as Exhibit 16.1 to the Company's Report on Form 8-K, filed with the Commission on August 2, 2018 and incorporated herein by reference) (File No. 001-32508)
21.1*	Subsidiaries
31.1*	Section 302 Certification of Periodic Report of Principal Executive Officer
31.2*	Section 302 Certification of Periodic Report of Principal Financial Officer

32.1**	Section 906 Certification of Periodic Report of Principal Executive Officer
32.2**	Section 906 Certification of Periodic Report of Principal Financial Officer
99.1*	Report of Graves & Co. Consulting LLC
99.2	Charter of the Audit and Ethics Committee (Filed as Exhibit 14.3 to our Annual Report on Form 10-K/A for the year ended March 31, 2009, filed with the Commission on July 29, 2009 and incorporated herein by reference)
99.3	Charter of the Compensation Committee (Filed as Exhibit 14.5 to our Annual Report on Form 10-K/A for the year ended March 31, 2009, filed with the Commission on July 29, 2009 and incorporated herein by reference)
99.4	Charter of The Nominating and Corporate Governance Committee (Filed as Exhibit 99.2 to the Company's Annual Report on Form 10-K for the period ended March 31, 2013, filed with the Commission on June 28, 2013, and incorporated herein by reference)
99.5	Letter to Shareholders in Accordance with NRS 78.0296 (Furnished as Exhibit 99.1 to the Company's Report on Form 8-K, filed with the Commission on July 9, 2019 and incorporated herein by reference) (File No. 001-32508)
*101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
*101.SCH	Inline XBRL Taxonomy Extension Schema Document
*101.CAL	Inline XBRL Taxonomy Extension Schema Document
*101.LAB	Inline XBRL Taxonomy Extension Definition Linkbase Document
*101.PRE	Inline XBRL Taxonomy Extension Label Linkbase Document
*101.DEF	Inline XBRL Taxonomy Extension Presentation Linkbase Document
*104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Exhibits filed herewith.

** Exhibits furnished herewith.

*** Management contract or compensatory plan.

+ Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2) and/or Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule or exhibit will be furnished supplementally to the Commission upon request; provided

EX-31.1

EX-31.1 2 cei_ex311.htm CERTIFICATION

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
REQUIRED BY RULE 13A-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934 AS AMENDED,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James Doris, certify that:

1. I have reviewed this annual report on Form 10-K/A of Camber Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 7, 2022

By: */s/ James Doris*
Chief Executive Officer (Principal Executive Officer)

EX-31.2

EX-31.2 3 cei_ex312.htm CERTIFICATION

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL ACCOUNTING OFFICER
REQUIRED BY RULE 13A-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934 AS AMENDED,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Frank A. Barker, Jr., certify that:

1. I have reviewed this annual report on Form 10-K/A of Camber Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: June 7, 2022

By: */s/ Frank A. Barker, Jr.*
Frank A. Barker, Jr.
Chief Financial Officer (Principal Accounting Officer)

EX-32.1

EX-32.1 4 cei_ex321.htm CERTIFICATION

EXHIBIT 32.1

CERTIFICATION OF
PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

I, James Doris, Chief Executive Officer of Camber Energy, Inc. (the "Company"), certify, pursuant to 18 U.S.C. Section 1350 adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Annual Report on Form 10-K/A of the Company for the period ended December 31, 2021 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 7, 2022

By: */s/ James Doris*
James Doris
Chief Executive Officer (Principal Executive Officer)

EX-32.2

EX-32.2 5 cei_ex322.htm CERTIFICATION

EXHIBIT 32.2

CERTIFICATION OF
PRINCIPAL ACCOUNTING OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

I, Frank A. Barker, Jr., Chief Financial Officer of Camber Energy, Inc. (the “Company”), certify, pursuant to 18 U.S.C. Section 1350 adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Annual Report on Form 10-K/A of the Company for the period ended December 31, 2021 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 7, 2022

By: */s/ Frank A. Barker, Jr.*

Frank A. Barker, Jr.
Chief Financial Officer (Principal Accounting Officer)