Management Energy, Inc.
Form 10-Q
September 11, 2009

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

FORM 10-Q

[Mark One]
x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 31, 2009

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: 333-152608

Management Energy, Inc.
(Exact name of registrant as specified in its charter)

Nevada	26-1749145
(State of Incorporation)	(IRS Employer Ident. No.)
30950 Rancho Viejo Road, Suite 120 San Juan Capistrano, CA	92675
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number: (949) 373-7282

(Former name or former address, if changed since last report)

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 x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such reports) .
Yes x No o

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

¨ Large accelerated filer ¨ Accelerated filer ¨ Non-accelerated filer x Smaller reporting company

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

The number of shares outstanding of each of the issuer’s classes of equity as of September 10, 2009: 72,325,000 shares of common stock, par value $0.001 per share.

MANAGEMENT ENERGY, INC.

PART I - FINANCIAL INFORMATION

MANAGEMENT ENERGY, INC.
(An Exploration Stage Company)
Balance Sheets

	July 31, 2009 (unaudited)	April 30, 2009
ASSETS		
Current Assets		
Cash and Cash Equivalents	$ 298,275	$ 900
Total Current Assets	298,275	900
Total Assets	$ 298,275	$ 900
LIABILITIES & STOCKHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts Payable	$ 21,498	$ 41,295
Accrued Expenses	98,158	100,917
Due to Affiliate	8,700	-
Total Current Liabilities	128,356	142,212
Stockholders' Equity (Deficit)		
Common Stock, $0.001 par value, 300,000,000 shares authorized, 72,325,000 shares issued and outstanding at July 31, 2009 and, 71,925,000 shares issued and outstanding at April 30, 2009	72,325	71,925
Additional paid-in capital	1,639,011	1,239,411
Deficit accumulated in the development stage	(1,541,417)	(1,452,648)
Total Stockholders' Equity (Deficit)	169,919	(141,312)
Total Liabilities and Stockholders' Equity (Deficit)	$ 298,275	$ 900

See accompanying notes to financial statements

MANAGEMENT ENERGY INC.
(An Exploration Stage Company)
Statements of Operations
(unaudited)

	For the Three Months Ended July 31, 2009	For the Three Months Ended July 31, 2008	For the period of Inception, from May 19, 2005 through July 31, 2009
Expenses:			
Professional Fees	$ 6,200	$ -	$ 58,000
Consulting	70,001	-	136,669
Mining Lease	-	-	62,541
Stock Based Compensation	-	-	1,163,500
Other General & Administrative	12,568	-	37,434
Total Operating Expenses	88,769	-	1,458,144
Operating Loss From Continuing Operations	$ (88,769)	$ -	$ (1,458,144)
Discontinued operations			
Gain (loss) from discontinued operations	-	3,935	(83,273)
Net Income (Loss)	$ (88,769)	$ 3,935	$ (1,541,417)
Basic and Dilutive Net Loss From Continuing Operations Per Share	$ (0.001)	$ -	
Basic and Dilutive Net Income From Discontinued Operations Per Share	$ -	$ 0.0003	
Weighted average number of shares outstanding, basic and diluted	71,955,769	14,300,000	

See accompanying notes to financial statements

MANAGEMENT ENERGY INC.
(An Exploration Stage Company)
Statements of Cash flows
(unaudited)

	For the Three Months Ended July 31, 2009	For the Three Months Ended July 31, 2008	For the period of Inception, May 19, 2005 to July 31, 2009
Cash Flows from Operating Activities			
Net Loss from continuing operations	$ (88,769)	$ -	$ (1,458,144)
Net Gain (Loss) from discontinued operations	-	3,935	(83,273)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation expense	-	-	1,479
Stock issued to acquire mining lease	-	-	62,541
Stock Based Compensation	-	-	1,163,500
Change in operating assets and liabilities:			
Accounts Receivable	-	(12,650)	(15,118)
Prepaids	-	-	(1,500)
Accounts Payable	(19,797)	-	21,498
Accrued expenses	(2,759)	-	98,158
Net Cash used in Operating Activities	(111,325)	(8,715)	(210,859)
Cash Flows from Investing Activities			
Purchase of equipment	-	-	(23,564)
Net Cash used in Investing Activities	-	-	(23,564)
Cash Flows from Financing Activities			
Proceeds from the sale of Common Stock	400,000	-	523,998
Borrowing from Affiliate	8,700	-	8,700
Repayment of loan from officer	-	(1,750)	-
Net Cash provided by (used by) Financing Activities	408,700	(1,750)	532,698
Net Increase (Decrease) in Cash	$ 297,375	$ (10,465)	$ 298,275
Cash at beginning of period	$ 900	$ 76,697	$ -
Cash at end of period	$ 298,275	$ 66,232	$ 298,275
Cash paid for			
Interest	$ -	$ -	$ -
Income Taxes	$ -	$ -	$ -

Supplemental Disclosue of Non-Cash Disposal of Assets related to Discontinued Operations:			
Accounts receivable	$ -	$ -	$ 15,118
Prepaids	-	-	1,500
Property and Equipment	-	-	22,085
Common stock	-	-	(4,000)
Additional Paid in Capital	-	-	(34,703)
	$ -	$ -	$ -

See accompanying notes to financial statements

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MANAGEMENT ENERGY INC.
(An Exploration Stage Company)
Statement of Stockholders' Equity (Deficit)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Accumulated Deficit During Exploration Stage	Total
Balances at May 19, 2007	-	$ -	$ -	$ -	$ -
Common stock issued for cash on January 10, 2008 at $0.002 per share	9,000,000	9,000	9,000	-	18,000
Common stock issued for cash on February 20, 2008 at $0.02 per share	5,300,000	5,300	99,698	-	104,998
Net loss for the year ended April 30, 2008	-	-	-	(23,287)	(23,287)
Balances at April 30, 2008	14,300,000	$ 14,300	$ 108,698	$ (23,287)	$ 99,711
Shares retired in the disposal of assets	(4,000,000)	(4,000)	(34,703)	-	$ (38,703)
Common stock issued for cash on February 27, 2009 at $0.0002 per share	5,000,000	5,000	(4,000)	-	$ 1,000
Common Stock issued for professional services on April 15, 2009	1,625,000	1,625	1,161,875	-	$ 1,163,500
Common Stock issued in acquisition of mining lease on April 15, 2009	60,000,000	60,000	2,541	-	$ 62,541
Common Stock issued for professional services on April 16, 2009	2,010,500	2,010	1,465,655	-	$ 1,467,665
Shares retired due to termination of consulting agreement	(7,010,500)	(7,010)	(1,460,655)	-	$ (1,467,665)
Net loss from discontinued operations for the year ended April 30, 2009	-	-	-	(59,986)	$ (59,986)
Net loss from continuing operations for the year ended April 30, 2009	-	-	-	(1,369,375)	$ (1,369,375)
Balances at April 30, 2009	71,925,000	$ 71,925	$ 1,239,411	$ (1,452,648)	$ (141,312)
Common stock issued for cash on July 24, 2009 at $1.00 per share	400,000	400	399,600	-	$ 400,000
	-	-	-	(88,769)	$ (88,769)

Net loss from continuing operations for the three months ended July 31, 2009									
Balances at July 31, 2009	72,325,000	$	72,325	$	1,639,011	$	(1,541,417)	$	169,919

See accompanying notes to financial statements

Management Energy, Inc.
(An Exploration Stage Company)
Notes to Unaudited Financial Statements

NOTE 1 – BACKGROUND, ORGANIZATION, AND BASIS OF PRESENTATION

Basis of Presentation

The unaudited financial statements have been prepared in accordance with the instructions to Form 10-Q and Item 8-03 of Regulation S-X. Accordingly, they do not include all footnote disclosures required by accounting principles generally accepted in the United States of America. These financial statements should be read in conjunction with our audited financial statements and notes thereto for the year ended April 30, 2009 included in our Form 10-K filed with the SEC on August 13, 2009. The accompanying financial statements reflect all adjustments, which, in the opinion of management, are necessary for a fair presentation of our financial position, results of operations and cash flows for the interim periods in accordance with accounting principles generally accepted in the United States of America. The results for any interim period are not necessarily indicative of the results for the entire fiscal year.

Organization

The Company was initially incorporated in the State of Nevada on May 19, 2005, as Inkie Entertainment Group, Inc., for the purpose of engaging in the production, distribution and marketing of filmed entertainment products. On January 15, 2008, the Company changed its name to Quantum Information, Inc. In January 2009, the Company announced that it would transition out of the filmed entertainment products business and into the coal business.

As part of that transition, on January 14, 2009, the Company sold all of its assets to Joel Klandrud, the Company's former officer and director, in exchange for the surrender to the Company by Mr. Klandrud of 4,000,000 shares of the Company's common stock, and the assumption by Mr. Klandrud all of the Company's liabilities. The Company also changed its name to MGMT Energy, Inc. on February 5, 2009 and to Management Energy, Inc. on May 28, 2009 to better reflect the Company's business focus. See Note 7 – Discontinued Operations for further discussion.

On April 13, 2009, the Company entered into a Contribution and Assignment Agreement (the "Contribution Agreement") with Carbon County Holdings, LLC, a Delaware limited liability company ("CCH"), John P. Baugues, Jr., the Company's former Chief Executive Officer and director, The John Paul Baugues, Sr. Family Trust, the beneficiaries of which are John P. Baugues, Jr. and his children (the "Baugues Trust"), and Tydus Richards, the former Chairman of the Company's board of directors. Pursuant to the Contribution Agreement, CCH agreed to contribute and assign to the Company all of CCH's rights and obligations under that certain Mining Lease, dated on or around January 16, 2009 (the "Bridger Lease"), between CCH, on the one hand, and Edith L. Bolzer and Richard L. Bolzer, as lessors, on the other hand, for the purpose of mining and removing coal from approximately 6,254 acres located in the vicinity of Bridger in Carbon County, Montana (the "Bridger Property"). In exchange for the contribution and assignment of the Bridger Lease, the Company agreed to issue to each of Mr. Baugues, the Baugues Trust, and Mr. Richards, the sole members of CCH, the number of shares of the Company's Common Stock set forth opposite such member's name below.

Name of Member	Number of Shares
John P. Baugues, Jr.	15,925,000
The John Paul Baugues, Sr. Family Trust	16,575,000
Tydus Richards	27,500,000
Total	60,000,000

Under the terms of the Bridger Lease, the Company is required to pay to the lessors (1) a minimum annual payment in an amount equal to $62,541 in each year during the initial ten (10) year term of the Bridger Lease, subject to increases in future years (the “Minimum Annual Payment”) and (2) a royalty equal to 12.5% of the gross proceeds on all coal mined from the Bridger Property (the “Royalty”). In addition, unless coal is mined from minerals owned by the lessors, for each ton of coal mined from, stored on or transported across the Bridger Property, the Company is required to pay a damage fee of $0.15 per ton for such coal (the “Damage Fee”). In the event that the Royalty and/or the Damage Fee in any year during the term exceeds twice the Minimum Annual Payment, the Company is not required to make the Minimum Annual Payment for that year.

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The Bridger Lease is effective for a 10 year term. The Company has the right to renew the Bridger Lease for two additional 10 year terms upon at least 90 days written notice to the lessors prior to the expiration of the then-current term. After 3 years from the effective date, the Company has the right to terminate the Bridger Lease, on any annual anniversary, upon 90 days prior written notice to the lessors and upon payment of all damage fees, rentals and royalties accrued through the date of termination.

The consideration that the Company agreed to pay to acquire the Bridger Lease was approved by holders of a majority of the Company's common stock.

The closing of the transaction under the Contribution Agreement was subject to approval of the Company's stockholders. On April 11, 2009, the stockholders approved the transaction. On April 13, 2009, the Company consummated the transactions contemplated by the Contribution Agreement, including acquisition of the Bridger Lease.

On May 28, 2009, the Company completed a five-for-one stock split of the Company's common stock and an increase in the number of our authorized shares of common stock to 300,000,000. The share and per-share information disclosed within this Form 10-Q reflect the completion of this stock split.

Business Overview

The Company's business plan is to engage in the exploration, extraction and distribution of coal. The Company is currently considered to be an exploration stage corporation because it is engaged in the search for coal deposits and is not engaged in the exploitation of a coal deposit. The Company has not engaged in the preparation of an established commercially mineable coal deposit for extraction or in the exploitation of a coal deposit. The Company will be in the exploration stage until it discovers commercially viable coal deposits on the Bridger Property or any other property that the Company acquires, if ever. In an exploration stage company, management devotes most of its activities to acquiring and exploring mineral properties.

The Company currently leases the Bridger Property for the purpose of mining, removing, marketing and selling coal. Further exploration will be required before a final evaluation as to the economic feasibility of coal extraction on the Bridger Property can be determined. The Company has done preliminary estimates of the surface seams on the Bridger Property, and intends to perform phase 1 drilling commencing in the first quarter of the calendar year 2010 in order to determine whether it contains a commercially viable coal deposit.

Going Concern

The Company's financial statements are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America, and have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business. The Company incurred a net loss of $88,769 during the three months ended July 31, 2009, and an accumulated deficit of $1,541,417 since inception. The Company has recently changed its principal business to the coal business, but has not yet established an ongoing source of revenues sufficient to cover its operating costs and to allow it to continue as a going concern. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease development of operations.

In order to continue as a going concern, develop a reliable source of revenues, and achieve a profitable level of operations the Company will need, among other things, additional capital resources. Management's plans to continue as a going concern include raising additional capital through sales of common stock and or a debt financing. However, management cannot provide any assurances that the Company will be successful in accomplishing any of its plans.

The ability of the Company to continue as a going concern is dependent upon its ability to successfully accomplish the plans described in the preceding paragraph and eventually secure other sources of financing and attain profitable operations. The accompanying financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

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

Cash and equivalents

Cash and equivalents include investments with initial maturities of three months or less. The Company maintains its cash balances at credit-worthy financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. There were no cash equivalents at July 31, 2009 or April 30, 2009.

Concentration of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk are cash and cash equivalents. The Company places its cash and temporary cash investments with credit quality institutions. At times, such investments may be in excess of FDIC insurance limits. As of July 31, 2009, there were deposits of $48,275 in excess of federally insured limits.

Fair Value of Financial Instruments

The Financial Accounting Standards Board issued Statement of Financial Accounting Standards (“SFAS”) No. 107, “Disclosures About Fair Value of Financial Instruments.” SFAS No. 107 requires disclosure of fair value information about financial instruments when it is practicable to estimate that value. The carrying amounts of the Company’s financial instruments as of July 31, 2009 approximate their respective fair values because of the short-term nature of these instruments. Such instruments consist of cash, accounts payable and accrued expenses.

Income Taxes

The Company accounts for income taxes under the provisions of SFAS No. 109, Accounting for Income Taxes. Under SFAS No. 109, deferred tax assets and liabilities are recognized for future tax benefits or consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided for significant deferred tax assets when it is more likely than not that such assets will not be realized through future operations.

Equipment

Equipment is recorded at cost and depreciated using straight line methods over the estimated useful lives of the related assets. The Company reviews the carrying value of long-term assets to be held and used when events and circumstances warrant such a review. If the carrying value of a long-lived asset is considered impaired, a loss is recognized based on the amount by which the carrying value exceeds the fair market value. Fair market value is determined primarily using the anticipated cash flows discounted at a rate commensurate with the risk involved. The cost of normal maintenance and repairs is charged to operations as incurred. Major overhaul that extends the useful life of existing assets is capitalized. When equipment is retired or disposed, the costs and related accumulated depreciation are eliminated and the resulting profit or loss is recognized in income.

Issuance of Shares for Non-Cash Consideration

The Company accounts for the issuance of equity instruments to acquire goods and/or services based on the fair value of the goods and services or the fair value of the equity instrument at the time of issuance, whichever is more reliably determinable.

The Company's accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows the provisions of EITF Issue No. 96-18, Accounting for Equity Instruments That are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services and EITF Issue No. 00-18, Accounting Recognition for Certain Transactions Involving Equity Instruments Granted to Other Than Employees. The measurement date for the fair value of the equity instruments issued is determined at the earlier of (i) the date at which a commitment for performance by the consultant or vendor is reached or (ii) the date at which the consultant or vendor's performance is complete. In the case of equity instruments issued to consultants, the fair value of the equity instrument is recognized over the term of the consulting agreement.

Stock-Based Compensation

In December of 2004, the Financial Accounting Standards Board ("FASB") issued FAS 123R, which applies to transactions in which an entity exchanges its equity instruments for goods or services and also applies to liabilities an entity may incur for goods or services that are based on the fair value of those equity instruments. For any unvested portion of previously issued and outstanding awards, compensation expense is required to be recorded based on the previously disclosed FAS 123 methodology and amounts. Prior periods presented are not required to be restated. The Company adopted FAS 123R as of January 1, 2006 and applied the standard using the modified prospective method. The Company has not issued any stock options.

Exploration-Stage Company

The Company is considered an exploration-stage company, having limited operating revenues during the period presented, as defined by Statement of Financial Accounting Standards ("SFAS") No. 7. SFAS No. 7 requires companies to report their operations, shareholders deficit and cash flows since inception through the date that revenues are generated from management's intended operations, among other things. Management has defined inception as May 19, 2005. Since inception, and more particularly since commencing business in January 2008, the Company has incurred a net loss of $1,541,417. Much of this related to consultants and professional fees, as a means to generate working capital. The Company's working capital has been generated through the sale of common stock and renting its camera equipment. Management has provided financial data since May 19, 2005, "Inception", in the financial statements.

Net Loss Per Share

Statement of Financial Accounting Standards No. 128 "Earnings Per Share" requires presentation of basic earnings or loss per share and diluted earnings or loss per share. Basic income (loss) per share ("Basic EPS") is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share ("Diluted EPS") is similarly calculated using the treasury stock method except that the denominator is increased to reflect the potential dilution that would occur if dilutive securities at the end of the applicable period were exercised. There were no potential dilutive securities as of July 31, 2009 and 2008.

	For the Three Months Ended July 31, 2009		For the Three Months Ended July 31, 2008	
Net Income (Loss)	$	(88,769)	$	3,935
Basic and Dilutive Net Loss From Continuing Operations Per Share	$	(0.001)	$	-
Basic and Dilutive Net Income From Discontinued Operations Per Share	$	-	$	0.0003
Weighted average number of shares outstanding, basic and diluted		71,955,769		14,300,000

The weighted average number of shares included in the calculation above are post-split.

NOTE 3 – RELATED PARTY TRANSACTIONS

On January 10, 2008 the Board authorized the issuance of common stock to two Directors:

Joel Klandrud President and Chief Operating Officer Director	4,500,000 shares at a price of $0.002 per share
Sandra Dosdall Director	4,500,000 shares at a price of $0.002 per share

On January 14, 2009, the Company sold all of its assets to Joel Klandrud, the Company's former officer and director, pursuant to an Asset Sale Agreement. In exchange, Mr. Klandrud (1) surrendered to the Company for cancellation 4,000,000 shares of the Company's Common Stock, par value $0.001 per share, and (2) assumed all of the Company's liabilities. See Note 7 – Discontinued Operations for further discussion.

On January 14, 2009, the Company entered into a Support Services Agreement with Strands Management Company, LLC ("Strands"). Matt Szot, the Company's Chief Financial Officer, Treasurer, and Secretary, is the Chief Financial Officer of Strands. David Walters, the Company's Chief Executive Officer and director, owns a 50% interest and is a managing member of Strands. Under the Support Services Agreement, Strands will provide the Company with financial management services, facilities and administrative services, and other services as agreed by the parties. Under the Support Services Agreement, the Company will pay to Strands monthly cash fees of $16,667 for the services. The initial term of the Support Services Agreement expires January 8, 2010. On April 2, 2009, the Company entered into Amendment #1 to the Strands Agreement. Pursuant to the amendment, the Company agreed to issue to Messrs. Walters and Szot and another principal of Strands an aggregate of 1,625,000 shares of the Company's common stock as a retainer, in exchange for Strands' agreement to continue to provide services under the Support Services Agreement. The Company incurred $50,001 and $0 under the terms of the agreement for the three months ended July 31, 2009 and 2008, respectively, which is included in consulting expenses in the accompanying statements of operations. As of July 31, 2009, $60,002 is outstanding under the agreement.

On January 14, 2009, the Company entered into a Placement Agency and Advisory Services Agreement with Monarch Bay Associates ("Monarch Bay"). Monarch Bay is a FINRA member firm. Matt Szot, the Company's Chief Financial Officer, Treasurer, and Secretary, is the Chief Financial Officer of Monarch Bay. Under the agreement, Monarch Bay will act as the Company's placement agent on an exclusive basis with respect to private placements of the Company's capital stock. David Walters, the Company's Chief Executive Officer and director, owns a 50% interest and is a managing member of Monarch Bay. Pursuant the engagement letter, the Company is required to (1) pay to Monarch Bay 3% of the gross proceeds of any financing from non-Monarch Bay sources and issue to Monarch Bay warrants to purchase that number of shares of our common stock equal to 3% of the number of shares of common stock (including convertible securities) issued in such financing, and (2) pay to Monarch Bay 5% of the gross proceeds of any financing from Monarch Bay sources and issue to Monarch Bay warrants to purchase that number of shares of our common stock equal to 5% of the number of shares of common stock (including convertible securities) issued in such financing. The Company did not incur any expenses under the terms of the agreement during the three months ended July 31, 2009.

On January 9, 2009, the Company entered into an Acquisition Agreement (the "Acquisition Agreement") to acquire 100% of the ownership interests in Patoka River Coal Company, LLC, a Delaware limited liability company ("PRCC"), Patoka River Holdings, LLC, a Delaware limited liability company ("PRH"), and Carbon County Holdings, LLC (PRCC, PRH and CCH are collectively referred to herein as the "LLCs") in exchange for the Company's agreement to issue a total of 40,000,000 shares of the Company's common stock to the owners of the LLCs, John P. Baugues, Jr. (the Company's former Chief Executive Officer and director), the Baugues Trust, and TRX Capital, LLC, a California limited liability controlled by Tydus Richards, the former Chairman of the Company's board of directors,. At that time, PRCC held an exclusive option to acquire two parcels of land in fee simple, which option expired on January 26, 2009, and CCH held certain leasehold mining rights. On March 31, 2009, the Company entered into a Letter Agreement Regarding Termination of Acquisition Agreement (the "Termination Letter"), pursuant to which the parties agreed to terminate the Acquisition Agreement.

On April 13, 2009, the Company entered into the Contribution Agreement with Carbon County Holdings, LLC, John P. Baugues, Jr., the Company's former Chief Executive Officer and director, the Baugues Trust, and Tydus Richards, the former Chairman of the Company's board of directors. Pursuant to the Contribution Agreement, CCH agreed to contribute and assign to the Company all of CCH's rights and obligations under the Bridger Lease in exchange for the issuance to the members of CCH of, the number of shares of the Company's Common Stock set forth opposite such member's name below.

Name of Member	Number of Shares
John P. Baugues, Jr.	15,925,000
The John Paul Baugues, Sr. Family Trust	16,575,000
Tydus Richards	27,500,000
Total	60,000,000

On April 13, 2009, the Company entered into a Strategic Consulting Services Agreement with Charles S. Leykum (the Company's former Board Advisor). Pursuant to the Consulting Agreement, the Company agreed to issue to Mr. Leykum (or Mr. Leykum's designees) an aggregate of 2,010,500 shares of the Company's common stock as a payment, in exchange for Charles S. Leykum's agreement to provide services under the Consulting Agreement. The Consulting Agreement had a term of 24 months. The Company recorded the stock payment of $1,467,665 as a prepaid expense on April 13, 2009 which reflected the numbers shares issued multiplied by the closing trading price on the date of issuance.

On July 13, 2009, the Company agreed to the termination of its Strategic Consulting Services Agreement with Charles S. Leykum. In connection with the termination of the agreement, Mr. Leykum and certain affiliated entities surrendered 7,010,500 shares of the Company's common stock for cancellation and the parties agreed to a mutual release of all claims. The Company treated the termination and cancellation of shares as a Type 1 subsequent event because the termination provided information that led management to conclude that the prepaid asset no longer had future economic value. Accordingly, the termination of the Consulting Agreement and the related cancellation of shares were recorded as of April 30, 2009. See Note 6 for further discussion.

Effective July 10, 2009, John P. Baugues, Jr. resigned from the Board of Directors of the Company and as the Company's Chief Executive Officer. As stated in his resignation letter, Mr. Baugues' decision to resign was based on his belief that the Company had breached a number of material agreements with him, including (but not limited to) the following: an inability to agree on a suitable employment agreement with the Company, an agreement that he would be paid a salary, an agreement that his expenses would be reimbursed, and an agreement that the Company would secure adequate funding to complete the development of a coal mining project in Carbon County, Montana. The Company disagrees with Mr. Baugues' assertion that it has breached any material agreement with him.

On July 23, 2009, the Company entered into a stock purchase agreement with an accredited investor controlled by Tydus Richards, the former Chairman of our board of directors, for the sale of 400,000 shares of its common stock at a purchase price of $1.00 per share. In connection with the stock purchase agreement, the Company has agreed that it will not expend the proceeds of the offering without the consent of the investor. The sale closed on July 24, 2009.

On July 16, 2009, the Company entered into a Consulting Services Agreement with Lotus Asset Management ("Lotus") controller by Tydus Richards, the former Chairman of our board of directors. Pursuant to the Agreement, in consideration for providing certain services to us, Lotus is entitled to a monthly fee in the amount of $20,000. The initial term of the Agreement expires October 16, 2009. As of July 31, 2009, $20,000 is outstanding under the agreement.

During the three months ended July 31, 2009, Tydus Richards, the former Chairman of our board of directors and shareholder, made payments totaling $8,700 on behalf of the Company. The Company reimbursed Mr. Richards on September 3, 2009.

NOTE 4 - COMMITMENTS AND CONTINGENCIES

Consulting Agreements

The Company has entered into consulting agreements for services to be provided to the Company in the ordinary course of business. These agreements call for expense reimbursement and various payments upon performance of services. See Note 3 for further discussion.

Legal

There were no legal proceedings against the Company with respect to matters arising in the ordinary course of business.

Operating Leases Commitments

Under the terms of the Bridger Lease, the Company is required to pay to the lessors (1) a minimum annual payment in an amount equal to $62,541 in each year during the initial ten (10) year term of the Bridger Lease, subject to increases in future years (the "Minimum Annual Payment") and (2) a royalty equal to 12.5% of the gross proceeds on all coal mined from the Bridger Property (the "Royalty"). In addition, unless coal is mined from minerals owned by the lessors, for each ton of coal mined from, stored on or transported across the Bridger Property, the Company is required to pay a damage fee of $0.15 per ton for such coal (the "Damage Fee"). In the event that the Royalty and/or the Damage Fee in any year during the term exceeds twice the Minimum Annual Payment, the Company is not required to make the Minimum Annual Payment for that year.

The Bridger Lease is effective for a 10 year term. The Company has the right to renew the Bridger Lease for two additional 10 year terms upon at least 90 days written notice to the lessors prior to the expiration of the then-current term. After 3 years from the effective date, the Company has the right to terminate the Bridger Lease, on any annual anniversary, upon 90 days prior written notice to the lessors and upon payment of all damage fees, rentals and royalties accrued through the date of termination.

The future minimum lease payments associated with the Bridger lease for the fiscal years ending April 30 are as follows:

April 30, 2010	62,541
April 30, 2011	62,541
April 30, 2012	62,541
April 30, 2013	62,541
April 30, 2014	62,541
Thereafter	312,705
	625,410

NOTE 5 – ACCRUED EXPENSES

Accrued expenses consist of the following:

	July 31, 2009	April 30, 2009
Accrued Consulting Fees	60,002	66,668
Accrued Audit Fees	4,500	3,000
Accrued Legal Fees	13,200	10,000
Accrued Travel, Meals & Entertainment	20,456	21,249
	98,158	100,917

NOTE 6 – CAPITAL STOCK TRANSACTIONS

The Company is authorized to issue up to 300,000,000 shares of its $0.001 common stock. At April 30, 2009, there were 71,925,000 shares issued and outstanding. At July 31, 2009, there were 72,325,000 shares issued and outstanding.

On May 28, 2009, the Company completed a five-for-one stock split of the Company's common stock and an increase in the number of our authorized shares of common stock from 75,000,000 to 300,000,000.

On January 10, 2008, 9,000,000 common shares were issued for cash at $0.002 per share, realizing $18,000.

On February 20, 2008, 5,300,000 common shares were issued for cash at $0.02 per share, realizing $104,998.

On January 14, 2009, the Company sold all of its assets to Joel Klandrud, the Company's former officer and director, pursuant to an Asset Sale Agreement. In exchange, Mr. Klandrud (1) surrendered to the Company for cancellation 4,000,000 shares of the Company's Common Stock, par value $0.001 per share, and (2) assumed all of the Company's liabilities. See Note 7 – Discontinued Operations for further discussion.

On January 27, 2009, the Company entered into a stock purchase agreement (the "Leykum SPA") with Charles S. Leykum, pursuant to which the Company agreed to sell to Mr. Leykum 1,250,000 shares of the Company's Common Stock, par value $0.001, for an aggregate price of $250. The issuance and sale of the shares of Common Stock to Mr. Leykum was subject to customary closing conditions as set forth in the Leykum SPA. This issuance was subsequent to the January 14, 2009 change in control and is considered to be founder's shares. These shares were issued on February 27, 2009. See Note 3.

On January 27, 2009, the Company entered into a stock purchase agreement (the "Master Fund SPA") with CSL Energy Master Fund, L.P., a Cayman Islands limited partnership ("Master Fund"), pursuant to which the Company agreed to sell to Master Fund 525,000 shares of the Company's Common Stock, par value $0.001, for an aggregate price of $105. The issuance and sale of the shares of Common Stock to Master Fund was subject to customary closing conditions as set forth in the Master Fund SPA. This issuance was subsequent to the January 14, 2009 change in control and is considered to be founder's shares. These shares were issued on February 27, 2009. See Note 3.

On January 27, 2009, the Company entered into a stock purchase agreement (the "Energy Fund SPA") with CSL Energy Fund, L.P., a Delaware limited partnership ("Energy Fund"), pursuant to which the Company agreed to sell to Energy Fund 3,225,000 shares of the Company's Common Stock, par value $0.001, for an aggregate price of $645. The issuance and sale of the shares of Common Stock to Energy Fund was subject to customary closing conditions as set forth in the Energy Fund SPA. This issuance was subsequent to the January 14, 2009 change in control and is considered to be founder's shares. These shares were issued on February 27, 2009. See Note 3.

On April 2, 2009, the Company entered into that certain Amendment #1 Support Services Agreement, with Strands Management Company, LLC, , Keith Moore, David Walters, and Matt Szot (the "Amendment"), which Amendment amends that certain Support Services Agreement, dated as of January 8, 2009, between the Company and Strands. Pursuant to the Amendment, the Company agreed to issue to Messrs. Moore, Walters, and Szot and aggregate of 1,625,000 shares of the Company's common stock as a retainer, in exchange for Strands' agreement to continue to provide services under the Support Services Agreement. The shares were issued on April 15, 2009, accordingly, the Company recorded a stock based compensation charge of $1,163,500 which is included in the statement of operations for the year ended April 30, 2009. See Note 3.

As discussed in Note 1 and Note 3, on April 13, 2009, the Company entered into the Contribution Agreement with Carbon County Holdings, LLC, John P. Baugues, Jr., the Company's former Chief Executive Officer and director, the Baugues Trust, and Tydus Richards, the former Chairman of the Company's board of directors. Pursuant to the Contribution Agreement, CCH agreed to contribute and assign to the Company all of CCH's rights and obligations under the Bridger Lease in exchange for the issuance to the members of CCH of, the number of shares of the Company's Common Stock set forth opposite such member's name below.

Name of Member	Number of Shares
John P. Baugues, Jr.	15,925,000
The John Paul Baugues, Sr. Family Trust	16,575,000
Tydus Richards	27,500,000
Total	60,000,000

The Company has treated the 60,000,000 shares issued pursuant to the Contribution Agreement as founder shares. The Company determined that the first year lease payment of $62,541 was the best indicator of the cost of the acquisition, accordingly, the issuance of the 60,000,000 founder shares were recorded as a mining lease expense of $62,541 during the year ended April 30, 2009.

On April 13, 2009, the Company entered into that certain Strategic Consulting Services Agreement ("Consulting Agreement") between the Company and Charles S. Leykum. Pursuant to the Consulting Agreement, the Company agreed to issue to Mr. Leykum (or Mr. Leykum's designess) an aggregate of 2,010,500 shares of the Company's common stock as a payment, in exchange for Charles S. Leykum's agreement to provide services under the Consulting Agreement. The Consulting Agreement had a term of 24 months. The Company recorded the stock payment of $1,467,665 as a prepaid expense on April 13, 2009 which reflected the numbers shares issued multiplied by the closing trading price on the date of issuance.

On July 13, 2009, the Company agreed to the termination of its Strategic Consulting Services Agreement with Charles S. Leykum. In connection with the termination of the agreement, Mr. Leykum and certain affiliated entities surrendered 7,010,500 shares of the Company's common stock for cancellation and the parties agreed to a mutual release of all claims. The Company treated the termination and cancellation of shares as a Type 1 subsequent event because the termination provided information that led management to conclude that the prepaid asset no longer had future economic value. Accordingly, the termination of the Consulting Agreement and the related cancellation of shares were recorded as of April 30, 2009.

On July 23, 2009, the Company entered into a stock purchase agreement with an accredited investor controlled by Tydus Richards, the former Chairman of our board of directors, for the sale of 400,000 shares of its common stock at a purchase price of $1.00 per share. In connection with the stock purchase agreement, the Company has agreed that it will not expend the proceeds of the offering without the consent of the investor. The sale closed on July 24, 2009.

NOTE 7 – DISCONTINUED OPERATIONS

On January 14, 2009, the Company sold all of its assets to Joel Klandrud, the Company's former officer and Director, pursuant to an Asset Sale Agreement. In exchange, Mr. Klandrud (1) surrendered to the Company for cancellation 4,000,000 shares (800,000 pre-split) shares of the Company's Common Stock, par value $0.001 per share, and (2) assumed all of the Company's liabilities.

The following schedule shows the assets and liabilities as of January 14, 2009:

Accounts receivable	$	15,118
Prepaids		1,500
Property and Equipment		22,085

The Company's gain from discontinued operations, for the three months ended July 31, 2009 and 2008, totaled $0 and $3,935, respectively. The Company's loss from discontinued operations since inception through July 31, 2009, totaled $83,273. Prior year financial statements have been restated to present the discontinued operations.

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

In this Quarterly Report on Form 10-Q, unless the context requires otherwise, "we," "us" and "our" refer to Management Energy, Inc., a Nevada corporation. The following Management's Discussion and Analysis of Financial Condition and Results of Operation provide information that we believe is relevant to an assessment and understanding of our financial condition and results of operations. The following discussion should be read in conjunction with our financial statements and notes thereto included with this Quarterly Report on Form 10-Q, and all our other filings, including Current Reports on Form 8-K, filed with the Securities and Exchange Commission ("SEC") through the date of this report.

Forward Looking Statements

This Quarterly Report on Form 10-Q includes both historical and forward-looking statements, which include information relating to future events, future financial performance, strategies, expectations, competitive environment and regulations. Words such as "may," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipa "intends," "plans," "believes," "estimates," and similar expressions, as well as statements in future tense, identify forward-looking statements. Such statements are intended to operate as "forward-looking statements" of the kind permitted by the Private Securities Litigation Reform Act of 1995, incorporated in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). That legislation protects such predictive statements by creating a "safe harbor" from liability in the event that a particular prediction does not turn out as anticipated. Forward-looking statements should not be read as a guarantee of future performance or results and will probably not be accurate indications of when such performance or results will be achieved. Forward-looking statements are based on information we have when those statements are made or our management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. You should review carefully the section entitled "Risk Factors" beginning on page 7 of our Annual Report on Form 10-K for a discussion of certain of the risks that could cause our actual results to differ from those expressed or suggested by the forward-looking statements.

The inclusion of the forward-looking statements should not be regarded as a representation by us, or any other person, that such forward-looking statements will be achieved. You should be aware that any forward-looking statement made by us in this Quarterly Report on Form 10-Q, or elsewhere, speaks only as of the date on which we make it. We undertake no duty to update any of the forward-looking statements, whether as a result of new information, future events or otherwise. In light of the foregoing, readers are cautioned not to place undue reliance on the forward-looking statements contained in this Quarterly Report on Form 10-Q.

Overview

Our business plan is to engage in the exploration, extraction and distribution of coal. We are currently considered to be an exploration stage corporation because we are engaged in the search for coal deposits and are not engaged in the exploitation of a coal deposit. We have not engaged in the preparation of an established commercially mineable coal deposit for extraction or in the exploitation of a coal deposit. We will be in the exploration stage until we discover commercially viable coal deposits on the Bridger Property or any other property that we acquire, if ever. In an exploration stage company, management devotes most of its activities to acquiring and exploring mineral properties.

We currently lease the Bridger Property, which consists of approximately 6,254 acres located in the vicinity of Bridger in Carbon County, Montana, for the purpose of mining, removing, marketing and selling coal. Further exploration will be required before a final evaluation as to the economic feasibility of coal extraction on the Bridger Property can be determined. We have done preliminary estimates of the surface seams on the Bridger Property, and intend to perform phase 1 drilling commencing in the first quarter of calendar year 2010 in order to determine whether it contains a commercially viable coal deposit.

There is no assurance that a commercially viable coal deposit exists on the Bridger Property. Furthermore, there is no assurance that we will be able to successfully develop the Bridger Property or identify, acquire or develop other coal properties that would allow us to profitably extract and distribute coal and to emerge from the exploration stage.

As we execute our business plan in the fiscal year ending April 30, 2010, we expect to incur a substantial amount of operating expenses that have not been incurred or reflected in our historical results of operations, including: mining lease expenses and expenses for personnel, operations, and professional fees. We also expect that we will continue to incur stock based compensation charges in future periods as we will likely issue equity awards as a form of compensation to management and other professional service providers.

Results of Operations

Three Months Ended July 31, 2009, Compared to Three Months Ended July 31, 2008

Revenues

We have only recently entered the coal business. Accordingly, we have not generated any revenues from continuing operations. We do not expect to generate any revenues until at least the second quarter of calendar year 2010.

Operating Expenses

Operating expenses from continuing operations totaled $88,769 for the three months ended July 31, 2009 compared to $0 for the comparable period in the prior year. The current period operating expenses primarily consist of $70,001 of consulting fees, as well as $6,200 of other professional fees and $12,568 of other general and administrative expenses.

We recently changed our principal business to the coal business, and expect to continue to incur operating expenses to pursue our business plan.

Gain (Loss) from Discontinued Operations

On January 14, 2009, we sold all of our assets to Joel Klandrud, our former officer and director, pursuant to an Asset Sale Agreement. In exchange, Mr. Klandrud (1) surrendered to us for cancellation 4,000,000 shares of our Common Stock, par value $0.001 per share, and (2) assumed all of our liabilities. We incurred gains from discontinued operations of $3,935 for the three months ended April 30, 2008.

Liquidity and Capital Resources

The accompanying financial statements have been prepared assuming that we will continue as a going concern. As shown in the accompanying financial statements, we incurred losses of $88,769 for the three months ended July 31, 2009 and have an accumulated deficit of $1,541,417 at July 31, 2009. At July 31, 2009, we had cash and cash equivalents of $298,275 and no other assets.

We have not yet established a source of revenues to cover our operating costs and to allow us to continue as a going concern. We do not expect to generate any revenues until at least the second quarter of calendar year 2010. In order to continue as a going concern, develop a reliable source of revenues, and achieve a profitable level of operations, we will need, among other things, significant additional capital resources. Accordingly, management's plans to continue as a going concern include raising additional capital through sales of common stock and other securities.

The business of exploring, extracting and distributing coal is capital intensive. Execution of our business strategy will require substantial capital investment in the short-term and in future periods. We require capital for, among other purposes, identifying and acquiring additional reserves and developing acquired reserves.

Because cash generated internally is not sufficient to fund capital requirements in 2009, we will require additional debt and/or equity financing. However, this type of financing may not be available or, if available, may not be available on attractive terms.

On July 24, 2009, we completed the sale of 400,000 shares of our common stock at a purchase price of $1.00 per share. The investor was an entity controlled by the former Chairman of our Board of Directors. In connection with the sale, we agreed that we will not expend the proceeds of the offering without the consent of the investor.

Our current funding is not sufficient to continue our operations for the remainder of the fiscal year ending April 30, 2010. We cannot provide any assurances that additional financing will be available to us or, if available, may not be available on acceptable terms.

If we are unable to obtain adequate capital, we could be forced to cease or delay development of our operations, sell assets or our business may fail. In each such case, the holders of our common stock would lose all or most of their investment.

Off-Balance Sheet Arrangements

As of July 31, 2009, we did not have any significant off-balance sheet arrangements, as defined in Item 303 of Regulation S-K.

Critical Accounting Policies and Estimates

Our financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles used in the United States. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. These estimates and assumptions are affected by management's application of accounting policies. We believe that understanding the basis and nature of the estimates is critical to an understanding of our financials.

Use of Estimates

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

Issuance of Shares for Non-Cash Consideration

We account for the issuance of equity instruments to acquire goods and/or services based on the fair value of the goods and services or the fair value of the equity instrument at the time of issuance, whichever is more reliably determinable.

Our accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows the provisions of EITF Issue No. 96-18, Accounting for Equity Instruments That are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services and EITF Issue No. 00-18, Accounting Recognition for Certain Transactions Involving Equity Instruments Granted to Other Than Employees. The measurement date for the fair value of the equity instruments issued is determined at the earlier of (i) the date at which a commitment for performance by the consultant or vendor is reached or (ii) the date at which the consultant or vendor's performance is complete. In the case of equity instruments issued to consultants, the fair value of the equity instrument is recognized over the term of the consulting agreement.

Recently Issued Accounting Pronouncements

In September 2006, the FASB adopted SFAS No. 157, Fair Value Measurements. SFAS No. 157 establishes a framework for measuring fair value and expands disclosure about fair value measurements. Specifically, this standard establishes that fair value is a market-based measurement, not an entity specific measurement. As such, the value measurement should be determined based on assumptions the market participants would use in pricing an asset or liability, including, but not limited to assumptions about risk, restrictions on the sale or use of an asset and the risk of nonperformance for a liability. The expanded disclosures include disclosure of the inputs used to measure fair value and the effect of certain of the measurements on earnings for the period. SFAS No. 157 is effective for fiscal years beginning after November 15, 2007. In February 2008, the FASB issued FSP 157-2, Effective Date of FASB Statement No. 157, which delays the effective date of SFAS No. 157 for non-financial assets and liabilities to fiscal years beginning after November 15, 2008. The adoption of SFAS No. 157 related to financial assets and liabilities did not have a material impact on the Company's financial statements. We are currently evaluating the impact, if any, that SFAS No. 157 may have on our future financial statements related to non-financial assets and liabilities.

In October 2008, the FASB issued FSP No. 157-3, Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active. FSP No. 157-3 clarifies the application of SFAS No. 157 in a market that is not active, and provides an illustrative example intended to address certain key application issues. FSP No. 157-3 is effective immediately, and applies to the Company’s July 31, 2009 financial statements. We have concluded that the application of FSP No. 157-3 did not have a material impact on our financial position and results of operations as of and for the three months ended July 31, 2009.

On February 15, 2007, the FASB, issued SFAS No. 159, The Fair Value Option for Financial Assets and Liabilities—Including an Amendment of SFAS 115. This standard permits an entity to choose to measure many financial instruments and certain other items at fair value. This option is available to all entities. Most of the provisions in SFAS 159 are elective; however, an amendment to SFAS 115 “Accounting for Certain Investments in Debt and Equity Securities” applies to all entities with available for sale or trading securities. SFAS 159 is effective as of the beginning of an entity’s first fiscal year that begins after November 15, 2007. The adoption of SFAS No. 159 did not have a material impact on our financial position or results of operations.

In December 2007, the FASB issued SFAS No. 141(R), Business Combinations. SFAS No. 141(R) establishes principles and requirements for how an acquirer recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree and recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase. SFAS No. 141(R) also sets forth the disclosures required to be made in the financial statements to evaluate the nature and financial effects of the business combination. SFAS No. 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. The adoption of SFAS No. 141(R) did not have a material impact on our financial position or results of operations.

In December 2007, the FASB issued SFAS No. 160, Non-controlling Interests in Consolidated Financial Statements, an amendment of ARB No. 51. SFAS No. 160 will change the accounting and reporting for minority interests, which will be recharacterized as non-controlling interests (NCI) and classified as a component of equity. This new consolidation method will significantly change the accounting for transactions with minority interest holders. SFAS No. 160 requires retroactive adoption of the presentation and disclosure requirements for existing minority interests. All other requirements of SFAS No. 160 shall be applied prospectively. SFAS No. 160 is effective for fiscal years beginning after December 15, 2008. The adoption of SFAS No. 160 did not have a material impact on our financial position or results of operations.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

None.

Item 4T. Controls and Procedures.

Evaluation of Disclosure and Procedures

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 the design and operation of our disclosure controls and procedures, as defined in Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this report (the “Evaluation Date”). Based on this evaluation, our principal executive officer and principal financial officer concluded as of the Evaluation Date that our disclosure controls and procedures were effective such that the information relating to us required to be disclosed in our Securities and Exchange Commission (“SEC”) reports (i) is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and (ii) is accumulated and communicated to management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Control Over Financial Reporting

During our most recent fiscal quarter, there has not occurred any change in our internal control over financial reporting (as such term is defined in Rule 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Submission of Matters to a Vote of Security Holders.

None.

Item 5. Other Information.

None.

Item 6. Exhibits.

No. Description

Exhibit 31.1	Certification by the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
Exhibit 31.2	Certification by the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
Exhibit 32.1	Certification by the Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*
Exhibit 32.2	Certification by the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002*

SIGNATURES

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

Dated: September 11, 2009	Management Energy, Inc.

By: /s/ David Walters
David Walters, Chief Executive Officer

By: /s/ Matt Szot
Matt Szot, Chief Financial Officer

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EXHIBIT INDEX

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