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

Form 10

GENERAL FORM FOR REGISTRATION OF SECURITIES
Pursuant to Section 12(b) or (g) of the Securities Exchange Act of 1934

Strategic Environmental & Energy Resources, Inc.

(Exact name of registrant as specified in its charter)

Nevada		**02-0565834**
(State or other jurisdiction of Incorporation or organization)	*(Commission File No.)*	*(IRS Employee Identification Number)*

7801 Brighton Road
Commerce City, Colorado 80022
(Address of Principal Executive Office)

303-295-6297
(Registrant's telephone number, including area code)

Securities to be registered pursuant to Section 12(b) of the Act: **None**

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

Title of Class
COMMON STOCK, $.001 par value

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer ☐ Accelerate filer ☐

Non-accelerated filer ☐ Smaller reporting company ☒
(*Do not check if a smaller reporting company*)

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PART I

ITEM 1. BUSINESS

Overview

Strategic Environmental & Energy Resources, Inc. ("the Company" or "SEER") was established as a publicly traded company in early 2008 through a reverse merger. SEER is dedicated to assembling complementary service and product businesses that provide safe, innovative, cost effective, and profitable solutions in the oil & gas, environmental, waste management and renewable energy industries. SEER currently operates four companies with three offices in the western and mid-western U.S. Through these operating companies, SEER provides products and services throughout the U.S. and has licensed and owned technologies with many customer installations throughout the U.S. Each of the four operating companies is discussed in more detail below.

The Company's domestic strategy is to grow internally through SEER's existing customer base and subsidiaries that have well established revenue streams and, simultaneously, establish long-term alliances with and/or acquire complementary domestic businesses in rapidly growing markets for environmental, water treatment and oil & gas services. At the same time, SEER intends to increase sales of new and patent-pending technologies into the growing markets of vapor/emission capture and control, renewable "green gas" capture and sale, Compressed Natural Gas ("CNG") fuel generation for fleet use, as well as medical and pharmaceutical waste destruction. Many of SEER's current operating companies share customer bases and each provides truly synergistic services and products.

The company now owns and manages four operating entities.

Subsidiaries

REGS, LLC d/b/s Resource Environmental Group Services ("REGS"): **(operating since 1994)** provides general industrial cleaning services and waste management into many industry sectors but focuses on oil & gas production (upstream) (particularly water treatment services in the oil & gas fields) and refineries (downstream), but also services other sectors such as hospitals, universities and state/federal agencies.

Tactical Cleaning Company, LLC ("TCC"): (operating since 2005) provides cleaning services to the tanker rail car industry with offices in two states and a focus on both food-grade and petroleum based products, *i.e*., fuel oil and asphalt.

MV, LLC ("MV") : **(operating since 2003)** MV is an engineering/technology oriented company that designs and sells odor, vapor, and emission control systems for use in oil and gas production, refining, and biogas conversion in agricultural, food and beverage and landfill applications.

Paragon Waste Solutions, LLC ("PWS"): (formed late 2010) PWS is a recently-formed operating company that is expected to deliver during the third quarter of 2013, the initial prototype unit intended to demonstrate its patent-pending technology based on a "cold plasma" oxidation process. PWS believes that this CoronaLux™ Technology, designed and intended for the "clean" destruction of hazardous chemical and biological waste *(i.e*., hospital "red bag" waste) should eliminate the need for costly segregation, transportation, incineration or landfill (with their associated legacy liabilities). PWS is a 54% owned subsidiary.

Benefuels, LLC ("BeneFuels"): (formed February 2012) owned 90% by SEER is a newly formed division created to focus specifically on treating biogas for conversion to pipeline quality gas and/or CNG for fleet vehicles. BeneFuels had no operations as of May 10, 2013.

Industry

SEER, with its diverse services, technologies, and environmental solution offerings, participates in the worldwide markets of industrial cleaning, environmental compliance, renewable energy and waste minimization/management markets. There are ever-increasing regulations and statutory programs, state, federal and local, create and mandate the need for waste minimization and proper handling, storage, treatment and disposal of virtually all types of waste. These rules and regulations are increasingly governing air emissions and vapor control in virtually all types of industries.

The industrial waste management industry in North America was shaped first by the Resource Conservation and Recovery Act of 1976 (RCRA), which requires waste generators to, among other things, store and dispose of hazardous waste in accordance with specific regulations. Subsequent to the RCRA, growing national awareness of environmental issues, coupled with corporate and institutional awareness of environmental liabilities, have contributed to the growth of the industry and associated governing legislation on the state and federal levels.

Today, collection and disposal of solid and hazardous wastes are subject to local, state, and federal requirements and controls that regulate health, safety, the environment, zoning and land-use. Included in these regulations is the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), of the United States. CERCLA holds generators and transporters of hazardous substances, as well as past and present owners and operators of sites where there has been a hazardous release, strictly, jointly and severally liable for environmental cleanup costs resulting from the release or threatened release of hazardous materials.

The enactment of the federal *Clean Air Act of 1970* (CAA) resulted in a major shift in the federal government's role in air pollution control. This legislation authorized the development of comprehensive federal and state regulations to limit emissions from both stationary (industrial) sources and mobile sources. The Act has been amended and expanded in scope many time since its enactment and remains a major consideration for safely and responsibly conducting business in the U.S.

These and countless other similar regulatory programs mandate the need for environmental and industrial cleaning services and technologies such as those offered by SEER and its companies.

There are substantial barriers to entry in the waste management industry, including the high degree of expertise and training required, regulatory compliance, insurance, and licensing costs and procedures, strict federal, state, provincial and local permitting and oversight processes, and significant capital costs of equipment and qualified personnel.

Business Strategy

SEER’s growth to date has been fueled by a combination of vertical integration, acquisitions, and organic growth. SEER acquired REGS, Tactical, and MV as wholly-owned subsidiaries. We intend to continue pursuing an aggressive strategy of acquisitive and organic growth while expanding our geographic footprint into other regions of the United States and possibly into foreign markets. Potential acquisitions may include businesses that are complementary to our core businesses or companies that provide a similar set of services in regions where the Company does not currently have operations.

Through recently-formed, long-term contractual relationships with partners in the up-stream oil & gas production sector, SEER will pursue new sources of service revenue, particularly in the treatment of “frac” and produced water (production and flowback water from drilling and hydraulic fracturing operations) at water treatment facilities in some of the most productive oil & gas fields in the country.

Upon full development of certain of our patent-pending technologies, we intend to explore license relationships with larger, established companies to generate sustainable, revenue streams from both domestic and international applications.

Intellectual Property

REGS pioneered the development and use of a unique non-human-entry cleaning system – the Mobile Powered Cleaning Unit (MPCU) – a highly mobile, self-contained system that utilizes robotic tank-cleaning devices. The MPCU offers a safer, more efficient and more cost effective tank cleaning option for refineries and all other large-tank industries. In addition to eliminating the risks associated with personnel entering tanks to clean hazardous waste, the MPCU is a versatile device that is effective with almost all commodities, cleaning solutions, tank sizes and configurations. Additionally, the MPCU is effective in extremely hot weather conditions when personnel entry is unsafe.

MV recently was issued a patent related to "Oil-Gas Vapor Collection, Storage, and Recovery System, etc." Patent No. US 8,206,124 B1. MV is in the process of expanding the scope and number of claims of this issued patent and has other pending applications arising out of and related to its odor control, vapor recovery, and renewable energy systems.

In 2013, PWS filed extensive provisional and non-provisional applications arising out of and related to its waste disposal technology involving a pyrolitic first phase and a "cold plasma" second phase system referred to "plasma light," or CoronaLux™ technology.

Competition

The industrial services industry is highly competitive. Our competitors vary in size, geographical coverage and by the mix of services they offer. Our larger competitors include Philip Services, Clean Harbors, and Veolia Environmental Services. Additionally, we compete with a number of small and medium size companies. In the face of this competition we have been effective in growing our revenue due to the wide range of services we offer, a competitive pricing structure, our innovative and proprietary/patent pending technologies, a reputation for reliability, built over the nearly 20 years of business operations and the care we take in each customer project.

In all its businesses, the Company currently holds very small parts of very large and growing markets. MV competes by providing superior H2S "scrubbing" solutions that result in more cost efficient removal of H2S from process gas streams, with markedly lower cost media change out. REGS and Tactical Cleaning Company compete by offering superior customer response and lower total cost of service. PWS plans to compete by offering a unique on-site, on-demand waste destruction solution, eliminating the need for waste segregation, transportation, incineration, autoclaving and/or landfilling; in turn, eliminating all of the associated costs and legacy liabilities associated with current options for medical waste handling. We believe that the patent-pending CoronaLux™ technology results in a radically superior option in the medical waste management sector and ultimate emissions cleaner than other solutions available in the market.

Environmental Matters and Regulation

Significant federal environmental laws affecting us are the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), also known as the "Superfund Act", the Clean Air Act, the Clean Water Act, and the Toxic Substances Control Act ("TSCA").

RCRA. RCRA is the principal federal statute governing hazardous waste generation, treatment, transportation, storage and disposal. Pursuant to RCRA, the U.S. Environmental Protection Agency (the "EPA") has established a comprehensive "cradle-to-grave" system for the management of a wide range of materials identified as hazardous or solid waste. States that have adopted hazardous waste management programs with standards at least as stringent as those promulgated by the EPA have been delegated authority by the EPA to administer their facility permitting programs in lieu of the EPA's program. Every facility that treats, stores or disposes of hazardous waste must obtain a RCRA permit from the EPA or an authorized state agency, unless a specific exemption exists, and must comply with certain operating requirements.

The Superfund Act. The Superfund Act is the primary federal statute regulating the cleanup of inactive hazardous substance sites and imposing liability for cleanup on the responsible parties. It also provides for immediate response and removal actions coordinated by the EPA, of the release of hazardous substances into the environment, and authorizes the government to respond to the release or threatened release of hazardous substances or to order responsible persons to perform any necessary cleanup. The statute provides for strict, and in certain cases, joint and several liability for these responses and other related costs, and for liability for the cost of damages to natural resources, to the parties involved in the generation, transportation and disposal of such hazardous substances. Under the statute, we may be deemed liable as a generator or transporter of a hazardous substance which is released into the environment, or as the owner or operator of a facility from which there is a release of a hazardous substance into the environment.

The Clean Air Act. The Clean Air Act was passed by Congress to control the emissions of pollutants into the air and requires permits to be obtained for certain sources of toxic air pollutants such as vinyl chloride, or criteria pollutants, such as carbon monoxide. In 1990, Congress amended the Clean Air Act to require further reductions of air pollutants with specific targets for non-attainment areas in order to meet certain ambient air quality standards. These amendments also require the EPA to promulgate regulations, which (i) control emissions of 189 hazardous air pollutants; (ii) create uniform operating permits for major industrial facilities similar to RCRA operating permits; (iii) mandate the phase-out of ozone depleting chemicals; and (iv) provide for enhanced enforcement.

Clean Water Act. This legislation prohibits discharges into the waters of the United States without governmental authorization and regulates the discharge of pollutants into surface waters and sewers from a variety of sources, including disposal sites and treatment facilities.

Toxic Substances Control Act. TSCA established a national program for the management of substances classified as PCBs, which include waste PCBs as well as RCRA wastes contaminated with PCBs. We conduct field services (remediation) activities that are regulated under provisions of the TSCA.

Other Federal Laws. In addition to regulations specifically directed at the transportation, storage, and disposal facilities, there are a number of regulations that may "pass-through" to the facilities based on the acceptance of regulated waste from affected client facilities. Each facility that accepts affected waste must comply with the regulations for that waste, facility or industry. In our transportation operations, we are regulated by the U.S. Department of Transportation, the Federal Railroad Administration, the Federal Aviation Administration and the U.S. Coast Guard, as well as by the regulatory agencies of each state in which we operate or through which our vehicles pass. Health and safety standards under the Occupational Safety and Health Act, or "OSHA", are applicable to all of our operations.

Pursuant to the EPA's authorization of their RCRA equivalent programs, a number of states have regulatory programs governing the operations and permitting of hazardous waste facilities. Our facilities are regulated pursuant to state statutes, including those addressing clean water and clean air. Our facilities are also subject to local siting, zoning and land use restrictions. Although our facilities occasionally have been cited for regulatory violations, we believe we are in substantial compliance with all federal, state and local laws regulating our business.

Insurance

To cover potential risks associated with the variety of services that the operating companies provide, we maintain adequate insurance coverages, including: 1) Casualty Insurance providing coverage for Commercial General Liability, Automotive Liability and Professional Liability Insurance in the amounts of $1 million each, respectively, per year; 2) Contractor’s Pollution Liability Insurance, which has limits of $1 million per occurrence and $1 million in the aggregate; 3) Transportation Liability Insurance with a $1 million per occurrence; and, 4) An Excess Umbrella Liability Policy of $4 million per occurrence and $4 million aggregate limit overall.

Health, Safety and Compliance

Preserving the health and safety of our employees and the communities in which we operate, as well as remaining in compliance with local, state and federal rules and regulations are the highest priorities for us and our companies. We strive to maintain the highest professional standards in our compliance and health and safety activities. To achieve this objective, we have an in-house, full-time, health & safety officer and emphasize comprehensive training programs for new employees as well as ongoing mandatory refresher programs, and safety bonus programs for existing employees. These programs are administered at both the corporate and field levels on a daily basis. Our efforts to ensure the health and safety of employees have been formally recognized by our customers as well as by the Colorado Department of Labor and Employment.

Research and Development

During the year 2011, the Company spent $2,000 in research and development, increasing that spending to $416,000 in 2012 to develop its medical waste management technology in its Paragon subsidiary.

Employees

As of December 31, 2012, we employed approximately 63 non-union and salaried employees. Use of part time and day laborers varies depending on current job requirements.

Public Information

Persons interested in obtaining information on the Company may read and copy any materials that we file with the Commission at the SEC's Public Reference Room at 100 F Street, NE., Washington, DC 20549, on official business days during the hours of 10 a.m. to 3 p.m. The public may obtain information on the operation of the Public Reference Room by calling the Commission at 1-800-SEC-0330. The Commission maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Commission at *http://www.sec.gov.*

ITEM 1A - RISK FACTORS

An investment in our securities involves certain risk factors, including those described below. Investors should carefully consider these risk factors along with information included or referred to in this report as well as other SEC filings before investing in our securities.

Risks Relating to Our Business

Our substantial level of indebtedness could adversely affect our financial condition and ability to fulfill our obligations.

As of December 31, 2012, the Company had approximately $791,700 in notes payable and capitalized lease obligations; federal withholding tax liability, including interest and penalties of $1,080,800, trade accounts payable of $1,323,300, billings in excess of revenue on uncompleted projects of $327,400, and $499,700 in accrued liabilities. Our level of indebtedness may adversely affect our ability to obtain additional financing for working capital, capital expenditures, acquisitions and other general corporate purposes; result in a default under the financial and operating covenants contained in our debt instruments; and make us more vulnerable to an economic downturn that our competitors with less debt. If we are unable to generate sufficient cash flow from operations in the future to service our debt and fee obligations, we may be required to refinance all or a portion of our existing debt and letter of credit facilities, or to obtain additional financing and facilities. However, we may not be able to obtain any such refinancing or additional facilities on favorable terms or at all.

Our business and results of operations would be adversely affected if we are unable to secure reasonably priced insurance that is required for our operations.

Because our business sometimes involves the handling and disposal of hazardous materials, we are required to maintain insurance coverage that can be expensive. Our ability to continue conducting business could be adversely affected if we should become unable to secure sufficient insurance coverage, surety bonds and financial assurances at reasonable cost to meet our business and regulatory requirements. The availability of insurance could be affected by factors outside of our control as well as the insurers' or sureties' assessment of our risk.

The environmental services industry in which we participate is subject to significant economic and business risks.

Our future operating results may be affected by such factors as our ability to win new business and remain competitive in the face of price competition from competitors who are often larger and better capitalized than us; maintain and/or build market share in an industry that has experienced downsizing and consolidation; reduce costs without negatively impacting operations; minimize downtime and disruptions of operations; weather economic downturns or recessionary conditions.

A significant portion of our business is derived as a result of events and circumstances over which we have no control.

Certain services that we provide are impacted by events such as accidental spills of hazardous materials, increasingly stringent environmental regulations governing hazardous waste handling, and seasonal fluctuations due to weather and budgetary cycles influencing the timing of customers' spending for remedial activities. We do not control such factors and, as a result, our revenue and income can vary significantly from quarter to quarter and from year to year. Prior financial performance for certain periods may not be a reliable indicator of future performance for comparable periods in subsequent years.

Seasonality makes it harder for us to manage our business and for investors to evaluate our performance.

Our operations may be affected by seasonal fluctuations due to weather and budgetary cycles influencing the timing of customers' needs for remedial and other services that we provide. This seasonality in our business makes it harder for us to manage our business and for investors to evaluate our performance.

Because our quarterly and annual operating results are difficult to predict and may fluctuate, the market price for our stock may be volatile.

Our operating results have fluctuated significantly in the past and may continue to fluctuate significantly in the future. Fluctuations in operating results may result in volatility of the price of our common stock. These quarterly and annual fluctuations may result from a number of factors, including the size of new contracts and when we are able to recognize the related revenue; our rate of progress under our contracts; the timing of customer and market acceptance of our products and service offerings; budgeting cycles of our customers; the mix of products and services sold; changes in demand for our products and services; level and timing of expenses for product development and sales, general and administrative expenses; competition; changes in our strategy; general economic conditions.

Personnel costs are a significant component of our budgeted expense levels and, therefore, our expenses are, to a degree, variable based upon our expectations regarding future revenue. Our revenue is difficult to forecast because the market for our products and services is rapidly changing, and our sales cycle and the size and timing of significant contracts varies substantially among customers. Accordingly, we may be unable to adjust spending in a timely manner to compensate for any unexpected shortfall in revenue. Any significant shortfall from anticipated levels of demand for our products and services could adversely affect our business, financial condition, results of operations and cash flows.

Based on these factors, we believe our future quarterly and annual operating results may vary significantly from quarter to quarter and year to year. As a result, quarter-to-quarter and year-to-year comparisons of operating results are not necessarily meaningful nor do they indicate what our future performance will be. Furthermore, we believe that in future reporting periods if our operating results fall below the expectations of public market analysts or investors, it is possible that the market price of our common stock could go down.

Our results of operations could be negatively impacted if we are unable to manage our liquidity.

Our cash forecast indicates that we will have sufficient liquidity to cover anticipated operating costs as well as debt service payments for at least the next twelve months, but this could be negatively impacted if we are unable to invoice and collect from our customers in a timely manner, if our revenue levels fall below forecast, or expenses exceed what we projected, or an unexpected adverse event, or combination of events occurs. Therefore, if the timing of cash generated from operations is insufficient to satisfy our liquidity requirements, we may require access to additional funds to support our business objectives through another debt restructuring, a credit facility or possibly the issuance of additional equity. Additional financing may not be available at all or, if available, may not be obtainable on terms that are favorable to us and not dilutive.

We depend on a limited number of significant customers for a substantial portion of our revenues, and the loss of one or more of these customers could adversely affect our business.

In the past, and currently, we earn a significant portion of our revenue from a relatively small number of customers. Although this has been mitigated somewhat by the expansion of our product, service and customer base through expansion into broader markets, the loss of any significant customer, delays in delivery or acceptance of any of our products by a customer, delays in the performance of services for a customer, or delays in collection of customer receivables could harm our business and operating results.

Our business depends largely on our ability to attract and retain talented employees.

Our ability to manage future expansion, if any, effectively will require us to attract, train, motivate and manage new employees successfully, to integrate new management and employees into our overall operations and to continue to improve our operations, financial and management systems. We may not be able to retain personnel or to hire additional personnel on a timely basis, if at all. Because of the complexity and training required in certain of our services, a significant time lag exists between the hiring date of technical and sales personnel and the time when they become fully productive. Our failure to retain personnel or to hire qualified personnel on a timely basis could adversely affect our business by impacting our ability to service certain customers and to secure new contracts.

We are subject to extensive environmental regulations that may increase our costs and potential liabilities.

The operations of all companies in the environmental services industry are subject to federal, state, provincial and local environmental requirements. Although increasing environmental regulation often presents new business opportunities for us, it also results in increased operating and compliance costs. Efforts to conduct our operations in compliance with all applicable laws and regulations, including environmental rules and regulations, require programs to promote compliance, such as training employees and customers, purchasing health and safety equipment, and in some cases hiring outside consultants. Even with these programs, we and other companies in the environmental services industry are faced with governmental enforcement proceedings, which can result in fines or other sanctions and require expenditures for remedial work on waste management facilities and contaminated sites. Certain of these laws impose strict and, under certain circumstances, joint and several liability for cleanup of releases of regulated materials, and also liability for related natural resource damages.

At some time in the future we may be required to pay fines or penalties due to regulatory enforcement proceedings and such fines or penalties could have a negative impact on our earnings. Additionally, regulatory authorities have the power to suspend or revoke permits or licenses needed for our operations, which may affect our customers' willingness to do business with us and/or out ability to conduct business. This, in turn, would impact our revenue and profitability. To date, we have never had any of our operating permits revoked, suspended or non-renewed involuntarily, although it is possible that could occur in the future.

Changes in environmental regulations or entry into related businesses may require us to make significant capital expenditures.

Changes in environmental regulations or our entry into new businesses can require us to make significant capital expenditures. Periodically the government revises rules and regulations regarding the handling and disposal of hazardous waste that requires us and other companies in the environmental services industry to invest in new equipment, training or other areas in order to remain in compliance. Additionally, because we intend to expand our business through the acquisition of complementary businesses, we anticipate the need raised additional capital to support such acquisitions. Future environmental regulations and acquisitions could cause us to make significant additional capital expenditures and adversely affect our results of operations and cash flow.

If our internal growth objectives prove to be inaccurate, our results of operations could be adversely affected.

While we believe that increasing environmental regulations and our growing product and services portfolio provide us with ample growth opportunities, it is possible that we will not be able to achieve our internal growth objectives due to potentialities such as a lack of growth capital, intense competition, regulatory issues, loss of permits and licenses, and other factors. Likewise, while we also intend to grow through acquisition, it is possible that we will be unable to grow this way due to lack of adequate financing, lack of viable acquisition candidates, competition for such acquisitions and other factors. To the extent that our growth objectives prove to be significantly different than actual results, our results of operations could be adversely affected.

Disruptions from terrorist activities or military actions may have an adverse effect on our business.

The continued threat of terrorism within the U.S. and acts of war may cause significant disruption to commerce throughout the world. Our business and results of operations could be materially and adversely affected to the extent that such disruptions result in delays or cancellations of customer orders, delays in collecting cash, a general decrease in corporate spending, or our inability to effectively market, manufacture or ship our products. We are unable to predict whether war and the threat of terrorism or the responses thereto will result in any long-term commercial disruptions or if such activities or responses will have any long-term material adverse effect on our business, results of operations, financial condition or cash flows.

We are subject to certain rules and regulations of federal, state and financial market exchange entities, the compliance with which requires substantial amounts of management time and company resources. Any material weaknesses in our financial reporting or internal controls could adversely affect our business and the price of our common stock.

Because our common stock is publicly traded, we are subject to certain rules and regulations of federal, state and financial market exchange entities charged with the protection of investors and the oversight of companies whose securities are publicly traded. These entities, including the SEC and other regulatory entities, have recently issued new requirements and regulations and are currently developing additional regulations and requirements in response to recent laws enacted by Congress, most notably the Sarbanes-Oxley Act of 2002. Our compliance with certain of these rules is likely to require the commitment of significant managerial resources. We continue to review our material internal control systems, processes and procedures for compliance. Such a review may result in the identification of material weaknesses in our internal controls. Disclosures of material weaknesses in our SEC reports could cause investors to lose confidence in our financial reporting and may negatively affect the price of our stock. Moreover, effective internal controls are necessary to produce reliable financial reports and to prevent fraud. If we have material weaknesses in our internal control over financial reporting it may negatively impact our business, results of operations and reputation.

We do business in a highly competitive industry and compete with companies that have substantially more resources that we do.

The industrial services industry is highly competitive. Several of the companies with which we compete are larger, offer more services and products, have better access to growth capital, have larger sales and marketing departments and larger workforces and other advantages that may make it difficult for us to win new business when in competition with them.

Our stock is considered a "penny stock," and is therefore considered risky.

OTC Bulletin Board and Pink Sheet stocks, and especially those being offered for less than $5.00 per share, are often known as "penny stocks" and are subject to various regulations involving disclosures to be given to you prior to the purchase of any penny stocks. These disclosures require you to acknowledge you understand the risk associated with buying penny stocks and that you can absorb the entire loss of your investment. Penny stocks are low priced securities that do not have a very high trading volume. Consequently, the price of the stock is often times volatile and you may not be able to buy or sell the stock when you want. With certain exceptions, brokers selling our stock must adhere to regulations, which include the following:

- Brokers must provide you with a risk disclosure document relating to the penny stock market.
- Brokers must disclose price quotations and other information relating to the penny stock market.
- Brokers must disclose any compensation they receive from the sale of our stock.
- Brokers must provide a disclosure of any compensation paid to any associated persons in connection with transactions relating to our stock.
- Brokers must provide you with quarterly account statements.
- Brokers may not sell any of our stock that is held in escrow or trust accounts.
- Prior to selling our stock, brokers must approve your account for buying and selling penny stocks.
- Brokers must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser’s written agreement to the transaction.

These additional sales practices and disclosure requirements could impede the sale of our securities. In addition, the liquidity for our securities may be adversely affected, with related adverse effects on the price of our securities.

We have not paid and do not expect in the foreseeable future to pay dividends on our common stock.

We have not paid and do not anticipate paying for the foreseeable future any dividends on our common stock. We intend to reinvest future earnings, if any, into the operation and expansion of our business and payment of our outstanding debt.

Certain directors and officers own substantial amounts of our common stock and, as a group, will have the ability to exercise substantial influence over matters submitted to our stockholders for approval.

As of December 31, 2012, Michael J. Cardillo, founder, director and president of our REGS, LLC subsidiary, and J John Combs III, president, CEO and director of SEER, beneficially held approximately 33.4% of our outstanding common stock. As a result, our directors and officers may be able to exercise substantial influence over matters submitted to our stockholders for approval, including the election of directors, any merger, consolidation or sale of all or substantially all of our assets or any other significant corporate transactions. These stockholders may also delay or prevent a change of control even if such a change of control would benefit our other stockholders. The significant concentration of stock ownership might cause the trading price of our common stock to decline if investors were to perceive that conflicts of interest may exist or arise over any such potential transactions. Potential future sales of common stock by our directors and executive officers, and our other principal stockholders, may cause our stock price to fall.

General risk statement.

Based on all of the foregoing, we believe it is possible for future revenue, expenses and operating results to vary significantly from quarter to quarter and year to year. As a result, quarter-to-quarter and year-to-year comparisons of operating results are not necessarily meaningful or indicative of future performance. Furthermore, we believe that it is possible that in any given quarter or fiscal year our operating results could differ from the expectations of public market analysts or investors. In such event or in the event that adverse conditions prevail, or are perceived to prevail, with respect to our business or generally, the market price of our common stock would likely decline.

ITEM 2. FINANCIAL INFORMATION

Selected Financial Data

The selected financial data set forth below for each of the years in the two-year period ended December 31, 2012 and 2011 has been derived from our consolidated financial statements. The following selected financial data should be read in conjunction with "Item 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations", the consolidated financial statements and the notes thereto and other financial information included elsewhere in this Report on Form 10.

	Three Months Ended March 31,		Years Ended December 31,	
	2013	2012	2012	2011
Consolidated Statements of Operations Data:				
Revenues	$ 2,568,800	$ 1,102,800	$ 6,841,400	$ 6,568,100
Operating loss	(216,600)	(343,000)	(1,621,300)	(1,250,300)
Net loss	(239,900)	(416,500)	(1,689,100)	(1,569,900)
Non controlling interest	(68,400)	—	(199,700)	—
Net loss attributable to SEER common stockholders	$ (171,500)	$ (416,500)	$ (1,489,400)	$ (1,569,900)
Net loss per share, basic and diluted	$ (.004)	$ (.015)	$ (.05)	$ (.06)
Weighted average shares outstanding – basic and diluted	41,281,000	27,498,100	32,963,000	26,056,100

	As of March 31,	As of December 31,	
	2013	2012	2011
Consolidated Balance Sheet Data:			
Total assets	$ 3,251,000	$ 2,799,700	$ 2,111,400
Total debt	$ 4,213,900	$ 4,022,400	$ 4,153,400
Total stockholder's deficit	$ (962,900)	$ (1,222,700)	$ (2,042,000)

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion is intended to assist in understanding our business and the results of our operations. It should be read in conjunction with the Consolidated Financial Statements and the related notes that appear elsewhere in this report. Certain statements made in our discussion may be forward looking. Forward-looking statements involve risks and uncertainties and a number of factors could cause actual results or outcomes to differ materially from our expectations. See "Cautionary Statements" at the beginning of this report on Form 10 for additional discussion of some of these risks and uncertainties. Unless the context requires otherwise, when we refer to "we," "us" and "our," we are describing SEER and its consolidated subsidiaries on a consolidated basis.

Overview

SEER was formed as a publicly traded company in early 2008 through a reverse merger. SEER is dedicated to assembling complementary service and product businesses that provide safe, innovative, cost effective, and profitable solutions in the oil & gas, environmental, waste management and renewable energy industries. SEER currently operates four companies with three offices in the western and mid-western U.S. These companies have licensed and owned technologies with field use installations throughout the U.S.

The Company's domestic strategy is to grow internally through SEER's existing customer base and subsidiaries that have well established revenue streams and, simultaneously, establish long-term alliances with and/or acquire complementary domestic businesses in rapidly growing markets for environmental, water treatment and oil & gas services. At the same time, SEER intends to increase sales of new and patent-pending technologies into the fast growing markets of vapor/emission capture and control, renewable "green gas" capture and sale, CNG fuel generation, as well as medical and pharmaceutical waste destruction. Many of SEER's current operating companies share customer bases and each provides truly synergistic services and products.

Financial Condition

At March 31, 2013 we had negative working capital of $1.25 million compared to negative working capital of $1.4 million at December 31, 2012. At December 31, 2012, we had approximately $1.4 million in negative working capital, which represents a decrease (an improvement) of approximately $1 million from negative working capital at December 31, 2011 of $2.1 million. The decreases in negative working capital are primarily the result of the use of proceeds from equity financing to reduce payables and finance the loss from operations.

As shown in the accompanying consolidated financial statements, the Company has experienced recurring losses, and has accumulated a deficit of approximately $11.77 million as of March 31, 2013, $11.6 million as of December 31, 2012 and for the years ended December 31, 2012, and 2011, we incurred net losses of approximately $1.7 million and $1.57 million, respectively. For the three months ended March 31, 2013 we incurred a loss of $239,900. AS of March 31, 2013, our current liabilities exceed our current assets by $1.25 million. As of December 31, 2012 and 2011, our current liabilities exceeded our current assets by $1.4 million and $2.4 million, respectively, and our total liabilities exceeded our total assets by $1.2 million and $2 million, respectively.

Realization of a major portion of our assets as of March 31, 2013 and December 31, 2012, is dependent upon our continued operations. Accordingly, we have undertaken a number of specific steps to continue to operate as a going concern. During the quarter ended March 31, 2013 we raised approximately $494,000 from the sale of common stock. In 2012, we raised approximately $1.3 million through the sale of common stock and converted approximately $.7 million in debt to equity. In addition, we have focused on developing organic growth in our operating companies and improving gross and net margins through increased attention to pricing, aggressive cost management and overhead reductions. We made additions to our senior management team to support these initiatives, and focused on streamlining our business model to improve profitability. We also increased our business development efforts in MV to address opportunities identified in expanding markets attributable to increased interest in energy conservation and emission control regulations. For the period January 1, 2013 through April 26, 2013, we raised approximately $516,000 in equity financing through the sale of common stock and management plans to raise additional equity financing through the sale of common stock. There can be no assurance that the Company will achieve the desired result of net income and positive cash flow from operations in future years. Management believes that current working capital and proceeds from the sale of common stock in 2013 will be sufficient to allow the Company to maintain its operations through December 31, 2013 and into the foreseeable future.

Results of Operations

Results of Operations for the year ended December 31, 2012 compared to the Year Ended December 31, 2011

Total revenues were $6.9 million and $6.6 million for the years ended December 31, 2012 and 2011, respectively. The increase of approximately $300,000 or 4.5% in revenues comparing the year ended December 31, 2012 to the year ended December 31, 2011 is primarily attributable to the increase in revenues from our industrial cleaning segment.

Operating costs, which include cost of products, cost of services and selling, general and administrative (SG&A) expenses, was $8.5 million for the year ended December 31, 2012 compared to $7.8 million for the year ended December 31, 2011. The increase from 2011 to 2012 was primarily attributable to SG&A expense which increased from approximately $3.4 million to approximately $4.1 million. Stock issued for services, a component of SG&A, increased from $96,000 in 2011 to $512,000 in 2012. In addition, salaries and wages, the single largest component of SG&A, increased from $1.1 million in 2011 to $1.2 million in 2012. Research and development was $412,000 in 2012 compared to $2,000 in 2011.

Other expense was $67,800 in 2012 and $338,600 in 2011. Other expense in 2011 was primarily comprised of interest expense of $188,000, penalties and fees of $105,000 and loss on disposition of equipment of $63,000. In 2012, other expense was primarily comprised of interest expense of $304,000, penalties and fees of $26,000, offset by a gain on debt conversion of $306,000.

There is no provision for income taxes for both the year ended December 31, 2012 and 2011, due to our net losses for both periods.

Net loss for the year ended December 31, 2012 was $1.69 million compared to a net loss of $1.57 million for the year ended December 31, 2011. The net loss attributable to SEER after deducting $199,600 for the non-controlling interest was $1.49 million for 2012 as compared to $1.57 million for 2011. There was no non-controlling interest in 2011. Despite the $273,000 increase in revenues over 2011, that increased revenue was offset by SG&A costs.

Changes in Cash Flow

Operating Activities

Net cash used by operating activities during the year ended December 31, 2012 was $1.45 million compared to $75,000 net cash used by operating activities during the year ended December 31, 2011. Cash used by operating activities is driven by our net loss and adjusted by non-cash items. Non-cash adjustments primarily include depreciation, amortization of intangible assets and stock based compensation expense. Additionally, the timing of cash receipts and cash disbursements affects our operating assets and cash balances.

Investing activities

Net cash used in investing activities is primarily attributable to capital expenditures. Our capital expenditures were $77,000 and $101,000 for the years ended December 31, 2012 and 2011, respectively.

Financing Activities

Net cash provided by financing activities was $1.5 million for 2012 compared to $176,000 for 2011. The significant increase in 2012 was attributable to proceeds from the sale of common stock of $1.3 million, proceeds from debt financing of $575,000 offset by $309,000 in payments on notes payable and capital lease obligations, $69,000 in payments on related party notes payable in 2012 compared to 2011 proceeds from the sale of common stock of $199,000, proceeds from notes payable of $105,000, proceeds of $61,000 from related party notes payable, offset by $173,000 in payments on notes payable and capital lease obligations and $16,000 in payments on related party notes payable.

Results of Operations for the Three Months ended March 31, 2013 compared to the Three Months Ended March 31, 2012

Total revenues were $2.57 million and $1.10 million for the three months ended March 31, 2013 and 2012, respectively. The increase of approximately $1.47 million or 134% in revenues comparing the quarter ended March 31, 2013 to the quarter ended March 31, 2012 is primarily attributable to the increase in revenues from our industrial cleaning and environmental solutions segments.

Operating costs, which include cost of products, cost of services and selling, general and administrative (SG&A) expenses, was $2.78 million for the quarter ended march 31, 2013 compared to $1.45 million for the quarter ended March 31, 2012. The increase from the quarter ended March 31, 2012 to 2013 was primarily attributable the 134% increase in revenues which resulted in an increase of $875,000, or 119%, in product and service costs. In addition SG&A expense increased from approximately $465,000 to approximately $1,175,000. PWS was a newly formed entity and SG&A costs were $149,000, which includes $93,000 in research and development, for the quarter ended March 31, 2013 compared to $0 for the quarter ended March 31, 2012. In addition, salaries and wages, the single largest component of SG&A, increased from $289,000 in Q1 2012 to $400,000 in Q1 2013.

Other expense, net was $23,300 for the quarter ended March 31, 2013 compared to $73,500 for the quarter ended March 31, 2012. Other expense is primarily comprised of interest expense. The primary reason for the decrease in interest expense is the reduction in interest bearing debt by approximately $700,000.

There is no provision for income taxes for both the quarter ended March 31, 2013 and 2012, due to our net losses for both periods.

Net loss for the quarter ended March 31, 2013 was $239,900 compared to a net loss of $416,500 for the quarter ended March 31, 2012. The net loss attributable to SEER after deducting $68,400 for the non-controlling interest was $171,500 for the quarter ended March 31, 2013 as compared to $416,500 for the quarter ended March 31, 2012.

Changes in Cash Flow

Operating Activities

Net cash used by operating activities for the quarter ended March 31, 2013 was $201,700 compared to net cash used by operating activities for the quarter ended March 31, 2012 of $280,500. The reduction in the net cash used in operating activities is the result of our decrease in our net loss. Cash used by operating activities is driven by our net loss and adjusted by non-cash items. Non-cash adjustments primarily include depreciation, amortization of intangible assets and stock based compensation expense. Additionally, the timing of cash receipts and cash disbursements affects our operating assets and cash balances.

Investing activities

Net cash used in investing activities is primarily attributable to capital expenditures. Our capital expenditures were $191,800 and $22,600 for the quarter ended March 31, 2013 and 2012, respectively.

Financing Activities

Net cash provided by financing activities was $453,300 for the quarter ended March 31, 2013 compared to $270,000 for quarter ended March 31, 2012. The increase is mainly attributable to an increase in proceeds from the sale of common stock for the quarter ended March 31, 2013 compared to the quarter ended march 31, 2012.

Critical Accounting Policies, Judgments and Estimates

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make a number of estimates and assumptions related to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of intangible assets; valuation allowances and reserves for receivables, inventory and deferred income taxes; revenue recognition related to contracts accounted for under the percentage of completion method; share-based compensation; and loss contingencies, including those related to litigation. Actual results could differ from those estimates.

Accounts Receivable and Concentration of Credit Risk

Accounts receivable are recorded at the invoiced amounts less an allowance for doubtful accounts and do not bear interest. The allowance for doubtful accounts is based on our estimate of the amount of probable credit losses in our accounts receivable. We determine the allowance for doubtful accounts based upon an aging of accounts receivable, historical experience and management judgment. Accounts receivable balances are reviewed individually for collectability, and balances are charged off against the allowance when we determine that the potential for recovery is remote. An allowance for doubtful accounts of approximately $92,000 and $300,000 has been reserved as of December 31, 2012 and 2011, respectively.

We are exposed to credit risk in the normal course of business, primarily related to accounts receivable. Our customers operate primarily in the oil production and refining, rail transport, biogas generating and wastewater treatment industries in the United States. Accordingly, we are affected by the economic conditions in these industries as well as general economic conditions in the United States. To limit credit risk, management periodically reviews and evaluates the financial condition of its customers and maintains an allowance for doubtful accounts. As of December 31, 2012, we do not believe that we have significant credit risk.

Fair Value of Financial Instruments

The carrying amounts of our financial instruments, including accounts receivable and accounts payable, are carried at cost, which approximates their fair value due to their short-term maturities. We believe that the carrying value of notes payable with third parties, including their current portion, approximate their fair value, as those instruments carry market interest rates based on our current financial condition and liquidity. We believe the amounts due to related parties also approximate their fair value, as their carried interest rates are consistent with those of our notes payable with third parties.

Long-lived Assets

We evaluate the carrying value of long-lived assets for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An asset is considered to be impaired when the anticipated undiscounted future cash flows of an asset group are estimated to be less than its carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows. No impairment was determined as of December 31, 2012 and 2011.

Revenue Recognition

We recognize revenue related to contract projects and services when all of the following criteria are met: (i) persuasive evidence of an agreement exists, (ii) delivery has occurred or services have been rendered, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured. Our revenue is primarily comprised of services related to industrial cleaning and railcar cleaning, which we recognize as services are rendered.

Product revenue generated from projects, which include the manufacturing of products, for removal and treatment of hazardous vapor and gasses is accounted for under the percentage-of-completion method for projects with durations in excess of three months and the completed-contract method for all other projects. Total estimated revenue includes all of the following: (1) the basic contract price (2) contract options (3) change orders (4) claims and (5) contract provisions for penalties and incentive payments, including award fees and performance incentives.

Under the percentage-of-completion method, we recognize revenue primarily based on the ratio of costs incurred to date to total estimated contract costs. Performance incentives are included in our estimates of revenue using the percentage-of-completion method when their realization is reasonably assured. Cancellation fees are included in our estimates of revenue using the percentage-of-completion method when the cancellation notice is received from the client.

Provisions for estimated losses on uncompleted contracts are made in the period in which the losses are identified. The cumulative effect of changes to estimated contract profit and loss, including those arising from contract penalty provisions such as liquidated damages, final contract settlements, warranty claims and reviews of our costs performed by clients, are recognized in the period in which the revisions are identified. To the extent that these adjustments result in a reduction or elimination of previously reported profits, we report such a change by recognizing a charge against current earnings.

For contracts accounted for under the percentage-of-completion method, we include in current assets and current liabilities amounts related to construction contracts realizable and payable. Costs and estimated earnings in excess of billings on uncompleted contracts represent the excess of contract costs and profits recognized to date over billings to date, and are recognized as a current asset. Billings in excess of costs and estimated earnings on uncompleted contracts represents the excess of billings to date over the amount of contract costs and profits recognized to date, and are recognized as a current liability.

Stock-based Compensation

We account for stock-based awards at fair value on the date of grant, and recognize compensation over the service period that they are expected to vest. We estimate the fair value of stock options and stock purchase warrants using the Black-Scholes option pricing model. The estimated value of the portion of a stock-based award that is ultimately expected to vest, taking into consideration estimated forfeitures, is recognized as expense over the requisite service periods. The estimate of stock awards that will ultimately vest requires judgment, and to the extent that actual forfeitures differ from estimated forfeitures, such differences are accounted for as a cumulative adjustment to compensation expenses and recorded in the period that estimates are revised.

Recently issued accounting pronouncements

Changes to accounting principles generally accepted in the United States of America (U.S. GAAP) are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (ASU's) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all new or revised ASU's.

In December 2011, the FASB issued an amendment to the accounting guidance for disclosure of offsetting assets and liabilities and related arrangements. The amendment expands the disclosure requirements in that entities will be required to disclose both gross information and net information about both instruments and transactions eligible for offset in the statement of financial position and instruments and transactions subject to an agreement similar to a master netting arrangement. The amendment is effective for fiscal years, and interim periods within those years, beginning on or after January 1, 2013, and shall be applied retrospectively. We do not expect the adoption of this accounting pronouncement to have a material impact on our financial statements when implemented.

In July 2012, the FASB issued guidance which amends the guidance on testing indefinite-lived intangible assets, other than goodwill, for impairment. Under the new guidance, an entity testing an indefinite-lived intangible asset for impairment has the option of performing a qualitative assessment before calculating the fair value of the asset. If the entity determines, on the basis of qualitative factors, that the fair value of the indefinite-lived intangible asset is not more likely than not impaired, the entity would not need to calculate the fair value of the asset. The guidance is effective for the Company for our annual impairment test for fiscal 2014. The adoption of this guidance is not expected to have a significant impact on our consolidated financial position, results of operations, or cash flows.

In October 2012, the FASB issued Accounting Standards Update (ASU) 2012-04, "Technical Corrections and Improvements" in Accounting Standards Update No. 2012-04. The amendments in this update cover a wide range of Topics in the Accounting Standards Codification. These amendments include technical corrections and improvements to the Accounting Standards Codification and conforming amendments related to fair value measurements. The amendments in this update will be effective for fiscal periods beginning after December 15, 2012. The adoption of ASU 2012-04 is not expected to have a material impact on our financial position or results of operations.

In February 2013, the FASB issued ASU 2013-02, "Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income," ("ASU 2013-02"). ASU 2013-02 adds new disclosure requirements for items reclassified out of accumulated other comprehensive income ("AOCI"). ASU 2013-02 intends to help the Company improve the transparency of changes in other comprehensive income ("OCI") and items reclassified out of AOCI in the Company's financial statements. ASU 2013-02 does not amend any existing requirements for reporting net income or OCI in the Company's financial statements. ASU 2013-02 is effective for annual and interim reporting periods beginning after December 15, 2012. Adoption of this guidance did not have a significant impact on the determination or reporting of the Company's financial results.

In March 2013, the FASB issued ASU 2013-05, "Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity," ("ASU 2013-05"). The objective of ASU 2013-05 is to clarify the applicable guidance for the release into net income of the cumulative translation adjustment upon derecognition of a subsidiary or group of assets within a foreign entity. ASU 2013-05 is effective for annual and interim reporting periods beginning after December 15, 2013 with early adoption permitted. The Company is currently evaluating the impact that the adoption will have on the determination or reporting of its financial results.

Quantitative and Qualitative Disclosures About Market Risk

Market risk represents the risk of loss that may impact our consolidated financial position, consolidated results of operations, or consolidated cash flows due to adverse changes in financial and commodity market prices and rates. As of December 31, 2012 we do not believe we are exposed to significant market risks due to changes in U.S. interest rates or foreign currency exchange rates as measured against the U.S. dollar.

ITEM 3. PROPERTIES

Location	Owned/Leased	Function	Building(s) Sq. Footage	Total Acreage
Commerce City, CO	Leased	Headquarters, operations	10,000	1.5
Denver, CO	Leased	TC2 Rail car cleaning	1,200	1.5
Golden, CO	Leased	MV operations	2,000	n/a
El Dorado, KS	Leased	TC2 Rail car Cleaning	2,200	5.0

ITEM 4. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information regarding the beneficial ownership of Strategic Environmental & Energy Resources' common stock as of March 31, 2013, by (i) each person known to beneficially own more than 5% of the common stock of the Company, (ii) each of the Company's executive officers, (iii) each member of the Board of Directors of the Company and (iv) all of the executive officers and Board members as a group.

Beneficial Owners	Ownership	Address
Michael Cardillo	17.28%	7801 Brighton Road, Commerce City, CO 80022
Joseph John Combs	16.24%	7801 Brighton Road, Commerce City, CO 80022
Clyde Berg	7.53%	7801 Brighton Road, Commerce City, CO 80022
Ahmed Al Neama	5.97%	7801 Brighton Road, Commerce City, CO 80022
Nigel Hunter	5.94%	7801 Brighton Road, Commerce City, CO 80022
Chris Dieterich	0.26%	7801 Brighton Road, Commerce City, CO 80022
John Jenkins	0.06%	7801 Brighton Road, Commerce City, CO 80022

The above table is based on 40,349,434 shares issued and outstanding as of December 31, 2012.

ITEM 5. DIRECTORS AND EXECUTIVE OFFICERS

Set forth below is certain information concerning the individuals that are currently serving as executive officers and/or members of the board of directors of Strategic Environmental & Energy Resources, Inc.

Joseph John Combs III, Esq, 55, *CEO, Chairman, and President.* Mr. Combs, a SEER Founder, is currently Chairman of the Board of Directors, and CEO. He also serves as General Counsel. Mr. Combs has been Vice President of REGS since 2004, was the founder and President of Tactical Cleaning in 2005, and remains its President. Before joining the Company he owned and operated the law firm of Combs & Associates from 1989 to 2003. Prior to that he was an associate in the law firm of Berman & Blanchard in Los Angeles from 1987 to 1989, and an associate in the law firm of Parker, Milliken, Clark, O'hara & Samuelian, in Los Angeles from 1983 to 1987. His experience in private practice has included corporate maintenance, international finance, and business litigation. Over the last 30 years he has served as an officer and director of various sized corporations, both public and private, and is currently a Director and Officer of Armada Water Assets, Inc. He received his B.A. from the University of Colorado, with honors, and a J*uris Doctorate* from Duke University School of Law in 1983. As of this date, he receives an Annual Salary of $165,000, effective January 1, 2013. He holds 6,456,315 shares of common stock.

John Jenkins, 62, *Executive Vice President and Director of SEER and President of MV LLC.* Since January 2011 he has served and continues to serve as a member of the Company's Board of Directors as well as Company's Executive Vice President, and President of MV LLC, one of the Companys' wholly owned operating entities. For the five years immediately prior to his engagement by the Company, he served as a consultant to a number of small technology companies, providing support for operating and strategy development as well as corporate governance. John obtained his B.S. in Mechanical Engineering from the University of Washington in 1973 and a *Juris Doctorate* from the University of Denver in 1977. His current compensation includes an Annual Salary of $100,000, effective January 1, 2013, and participation in an incentive compensation program. He does not own any shares of the Company.

Christopher H. Dieterich, 65, *Secretary and Director.* Chris is the founder and managing partner of Dieterich & Associates, a litigation and commercial law firm based in Los Angeles, California, providing legal services to entrepreneurial and emerging technology companies during the past 33 years. His firm specializes in venture capital and private equity financings, as well as in SEC compliance issues for public companies. He obtained his undergraduate engineering degree from Virginia Tech, graduate engineering degree from UC Berkeley (1970) and graduated from the joint Law and Economics program at UCLA in 1979, after serving six years in the US Air Force as a flight instructor in advanced jets. He has been an officer and director of the Company since 2008, currently working on expanding the reach of the Paragon CoronaLux systems. He receives no salary from the Company and, as of March 31, 2013, owned 100,000 shares of the Company's common stock.

Monty Lamirato, 57, *Acting Chief Financial Officer* Mr. Lamirato has been our Acting Chief Financial Officer since joining the Company as a consultant on March 1, 2013. Prior to joining the Company, Mr. Lamirato has been a consulting Chief Financial Officer from April 2009 and served as Chief Financial Officer of ARC Group Worldwide, Inc., a provider of wireless network components, from August 2001 to March 2009, as the VP Finance for GS2.Net, Inc, an application service provider, from November 2000 to May 2001, and from June 1999 to October 2000 he served as VP Finance for an e-commerce retailer. Mr. Lamirato has been a certified public accountant in the State of Colorado since 1978. Mr. Lamirato does not own any shares of common stock of the Company.

By the end of 2013, the Company intends to increase the size of the Board and add independent directors.

None of the foregoing individuals listed above has, in the past five years, been the subject of:

(a) A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

(b) The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

(c) A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

(d) The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

ITEM 6. EXECUTIVE COMPENSATION

The above section sets forth information concerning total compensation earned or paid to officers of the Company for services rendered during the fiscal year ended on that date.

Name and Title	Fiscal Year	Base Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Non-Qualified Deferred Compensation Earnings	All Other Compensation	Total Compensation
J. John Combs III	2012	$ 125,000	—	—	$ 13,500	—	—	—	$ 138,500
President/CEO	2011	$ 125,000	—	—	—	—	—	—	$ 125,000
Chris Dieterich	2012	—	—	—	—	—	—	—	—
Secretary, Director	2011	—	—	—	—	—	—	—	—
John Jenkins	2012	$ 72,000	—	—	$ 10,800	—	—	—	$ 82,800
Executive Vice President, Director	2011	$ 72,000	—	—	—	—	—	—	$ 72,000
Fortunato Villamagna	2012	$ 150,000	—	—	—	—	—	—	$ 150,000
President, Paragon Waste Systems	2011	—	—	—	—	—	—	—	—
Mike Cardillo	2012	$ 125,000	—	—	$ 13,500	—	—	—	$ 138,500
President, REGS LLC	2011	$ 125,000	—	—	—	—	—	—	$ 125,000

Grants of Plan-Based Awards

Name and Principal Position	Grant Date	All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Award	Grant Date Fair Value of Awards
J John Combs III,	3/31/10	—	92,250	$ 1.00	$ 52,600
CEO, President	1/1/2012	—	300,000	$ .50	$ 13,500
John Jenkins, Executive VP, Director	1/1/2012	—	240,000	$ .50	$ 10,800
Chris Dieterich, Secretary, Director	—	—	—	—	—
Fortunato Villamagna, President PWS	—	—	—	—	—
Mike Cardillo, President REGS	3/31/2010	—	92,250	$ 1.00	$ 52,600
	1/1/2012	—	300,000	$ .50	$ 13,500

The Company has not adopted a qualified incentive plan. No options were exercised by the executive officers during the years ended December 31, 2012 and 2011.

Outstanding Equity Awards at Fiscal Year-End December 31, 2012

	Option Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)(c)	Option Expiration Date
J John Combs III, CEO, President	227,250(b)	165,000(b)	$ .64	12/31/15
John Jenkins, Executive VP, Director	108,000(a)	132,000(a)	$ .50	12/31/15
Chris Dieterich, Secretary, Director	—	—	—	—
Fortunato Villamagna, President PWS	—	—	—	—
Mike Cardillo, President REGS	227,250(b)	165,000(b)	$ .64	12/31/15

(a) These options were issued on January 1, 2012 and 15% vest on January 1, 2012, 15% vest on June 30, 2012, 15% vest on December 31, 2012, 15 % vest on June 30, 2013, 15% vest on December 31, 2013, 15% vest on June 30, 2014 and 10% vest on December 31, 2014.

(b) 276,500 options were issued on March 31, 2010 but retroactive to January 1, 2009, of which 92,250 are exercisable until December 31, 2013. 300,000 options were issued on January 1, 2012 and 15% vest on January 1, 2012, 15% vest on June 30, 2012, 15% vest on December 31, 2012, 15 % vest on June 30, 2013, 15% vest on December 31, 2013, 15% vest on June 30, 2014 and 10% vest on December 31, 2014.

(c) Represents weighted average exercise price.

ITEM 7. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

For general securities representation, the companies utilize the services of Dieterich & Associates. In 2012, total fees paid to that firm were approximately $8,795.00. Fees paid are reviewed by the other directors and compared against law firms offering similar securities expertise on an annual basis.

Director Independence

As of this filing, none of the directors is considered independent. In 2013, the company intends to identify and elect two or more independent directors.

Board Meetings and committees; annual meeting attendance

There were two board meetings held in 2012, both of which were fully attended by the three directors.

There is no Nominating Committee for directors, which the Company considers reasonable, as there is no direct compensation to directors who are not also officers, and there is no liability insurance available for errors and omissions, should they occur. Therefore, the Company has found it extremely difficult to attract independent directors.

Audit Committee

In 2013, the Company intends to form an audit committee to oversee all matters related to the Company's financial activities and reporting requirements.

Audit Committee Financial Expert

None

Compensation Committee

In 2013, the Company intends to form a compensation committee to oversee all matters related to the Company's compensation plans and packages.

Promoters and Certain Control Persons

During the Private Placement of 2011, the Company issued 320,000 shares to Corporate Capital Group, as brokerage fees, and an additional 320,000 warrants having a three-year exercise period and a strike price of $0.50 per share. This compensation was valued at $15,000.

ITEM 8. LEGAL PROCEEDINGS

We are and may be involved in various unresolved legal actions, administrative proceedings and claims in the ordinary course of business. Although it is not possible to predict with certainty the outcome of these unresolved actions, we do not believe, based on current knowledge, that any legal proceeding or claim is likely to have a material adverse effect on our financial position, results of operations or cash flows.

ITEM 9. MARKET PRICE OF AND DIVIDENDS ON THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

Market Information for Common Stock

Since January 22, 2008, our common stock has been listed on the Pink Sheets under the symbol "SENR." The following table sets forth the range of high and low bid prices since the debut of public trading in our shares. The quotations reflect inter-dealer prices without retail mark-up, mark-down or commission and may not represent actual transactions.

	For the Years Ended December 31,			
	2011		2012	
	High	Low	High	Low
First Quarter	$ 1.15	$ .90	$ .90	$ .40
Second Quarter	$ .90	$ .06	$ .58	$ .40
Third Quarter	$ .90	$ .15	$ .52	$ .10
Fourth Quarter	$ .90	$ .15	$ .45	$ .34

Stockholders

As of December 31, 2012, there were approximately 108 shareholders holding 40,349,434 common shares issued and outstanding. There are no preferred shares issued or outstanding.

Dividends

We have not declared or paid a cash dividend on our common stock. We currently intend to retain future earnings, if any, to finance the growth and development of our business and, therefore, do not anticipate paying cash dividends in the foreseeable future.

ITEM 10. RECENT SALES OF UNREGISTERED SECURITIES

2011

During 2011 the Company issued 920,000 shares of common stock in connection with the sale of common stock.

In 2011, the Company issued 240,700 shares of common stock upon conversion of a note payable into common stock.

In 2011, the Company issued 460,000 shares of common stock for services.

In 2011, the Company issued 1,000,000 shares of common stock for the purchase of an asset.

In 2011, the Company issued 100,000 in connection with the extension of a non-binding agreement.

In 2011, the Company granted 132,000 options to purchase common stock at an exercise price of $1.00 per share. The options vest over three years.

2012

During 2012 the Company issued 6,225,000 shares of common stock in connection with the sale of common stock.

In 2012, the Company issued 350,000 share of common stock in connection with the sale of convertible debt. Pursuant to the terms of the convertible debt, 1,790,500 shares of common stock were issued upon conversion of principal and unpaid interest into common stock.

In 2012, the Company issued 900,000 shares of common stock upon conversion of a note payable into common stock.

In 2012, the Company issued 3,100,000 shares of common stock for services.

In 2012, the Company issued 500,000 shares of common stock in connection with a common stock subscription.

In 2012, the Company granted 1,800,000 options to purchase common stock to officers and employees at an exercise price of $.50 per share. These options vest over the period January 1, 2012 to December 31, 2014.

The issuance of these shares of our common stock described above was pursuant to the exemption from registration provided by Section 4(2) of the Securities Act of 1933, as amended and related state private offering exemptions. All of the investors were Accredited Investors as defined in the Securities Act who took their shares for investments purposes without a view to distribution and had access to information concerning the company and its business prospects, as required by the Securities Act.

In addition, there was no general solicitation or advertising for the purchase of these shares. All certificates for these shares issued pursuant to Section 4(2) contain a restrictive legend. Finally, our stock transfer agent has been instructed not to transfer any of such shares, unless such shares are registered for resale or there is an exemption with respect to their transfer.

ITEM 11. DESCRIPTION OF REGSTRANT'S SECURITIES TO BE REGISTERED

Common Shares

The Company's authorized capital stock consists of 70,000,000 shares of Common Stock with a $.001 par value, and 5,000,000 shares of Preferred Stock. As of the date of this Report on Form 10, the Company has approximately 40,349,434 shares of its Common Stock outstanding. No Preferred Stock has been issued.

ITEM 12. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Corporation Laws of the State of Nevada and the Company's Bylaws provide for indemnification of our Directors for expenses actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of having been our Director(s) or Officer(s), or of such other corporation, except, in relation to matter as to which any such Director or Officer or former Director or Officer or person shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is therefore unenforceable.

ITEM 13. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See Exhibit 99.1 Financial Statements.

ITEM 14. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 15. FINANCIAL STATEMENTS AND EXHIBITS

a) Financial Statements

The following financial statements are included as Exhibit 99.1 and are hereby incorporated by reference:

Audited Financial Statements

Interim Unaudited Condensed Consolidated Financial Statements

(b) Exhibits

The following documents are filed as exhibits to this Registration Statement:

3.1	Articles of Incorporation, dated February 13, 2002
3.2	Amendment to the Articles of Incorporation, dated December 19, 2007, changing the name and effecting a reverse
3.3	ByLaws of the corporation, effective February 13, 2002
4.1	$225,000 Convertible Note of the Corporation, issued February 14, 2012
4.2	Form of Warrant, having a 3-year life with $0.50 exercise price
4.3	Form of Warrant, having a 5-year life with $0.50 exercise price
10.1	Agreement for acquisition of MV, dated June 13, 2008
10.2	Agreement for acquisition of intellectual property from Black Stone Management Services, LLC, dated August 10, 2011
10.3	Agreement for Merger with Satellite Organizing Solutions, Inc.
14.1	Code of Ethics
21.1	Subsidiaries of Registrant
31.1	Certification of Principal Executive Officer
31.2	Certification of Principal Financial Officer
32.1	Certification of Principal Executive Officer (Section 1350)
32.2	Certification of Principal Financial Officer (Section 1350)
99.1	Financial Statements

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 21, 2013

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

By */s/ J. John Combs*
J. John Combs
Chief Executive Officer with
Responsibility to sign on behalf of Registrant as a
Duly authorized officer and principal executive officer

By /s/ *Monty Lamirato*
Monty Lamirato
Acting Chief Financial Officer with
responsibility to sign on behalf of Registrant as a
duly authorized officer and principal financial officer

Exhibit 3.1

Exhibit 3.1 Articles of Incorporation, dated February 13, 2002

SECRETARY OF STATE

STATE OF NEVADA

CORPORATE CHARTER

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that **SALTELLITE ORGANIZING SOLUTIONS, INC.** did on **February 13, 2002,** file in this office the original Articles of Incorporation; that said Articles are now on file and of record in the office of the Secretary of State of the State of Nevada, and further, that said Articles contain all the provisions required by the law of said State of Nevada.

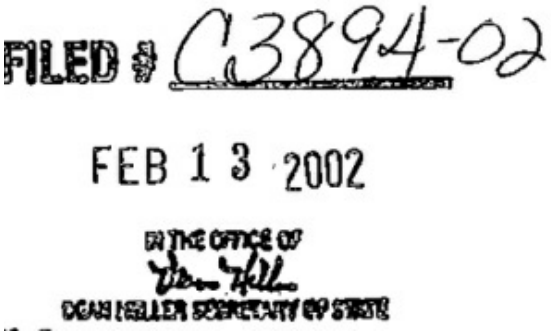
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office, in Las Vegas, Nevada, on **February 13, 2002.**

Dean Heller

Secretary of State

By

Certification Clerk



ARTICLES OF INCORPORATION

OF

Satellite Organizing Solutions, Inc.

I, the undersigned natural person being of the age of twenty one years, or more, acting as incorporator under the laws of the State of Nevada relating to corporations, and to that end adopt the following articles of incorporation as follows:

ARTICLE ONE. NAME: The name of the corporation shall be Satellite Organizing Solutions, Inc.

ARTICLE TWO. DURATION: The corporation shall exist perpetually.

ARTICLE THREE. PURPOSES:

1. The Corporation is organized for any and all lawful purposes for which corporations may be organized under this Act, including without limitation, organization, management, acquisition,manufacturing and marketing of all types of products, services and businesses, exploration and development of natural resources, research and development and any other lawful endeavor.

The Corporation shall have and exercise all powers necessary or convenient for the carrying out of any or all of the purposes for which it is organized.

Additional purposes for which it is organized are:

2. To purchase, receive by way of gift, subscribe for, invest in, and in all other ways acquire, import, lease, possess, maintain, handle on consignment, own, hold for investment or otherwise use,enjoy, exercise, operate, manage, conduct, perform, make, borrow, guarantee, contract in, respect of,trade and deal in, sell, exchange, let, lend, export, mortgage, pledge, deed in trust, hypothecate,encumber, transfer, assign and in all other ways dispose of, design, develop, invent, improve, equip,repair, alter, fabricate, assemble, build, construct, operate, manufacture, plant, cultivate, product,market, and in all other ways (whether like or unlike any of the foregoing), deal in and with property ofevery kind and character, real, personal or mixed, tangible or intangible, wherever situated andhowever held, including, but not limited to, money, credits, choices in action, securities, stocks, bonds,warrants, scripts, certificates, debentures, mortgages, notes, commercial paper, and other obligationsand evidences of interest in or indebtedness of any person, firm, or corporation, foreign or domestic, orof any government, subdivision or agency thereof, documents of title, and accompanying rights, andevery other kind and character of personal property, real property (improved or unimproved), and theproducts avails thereof, and every character of interest therein and appurtenance thereto, including, butnot limited to, mineral, oil, gas, and water rights, all or any part of any going business and its incidents,franchises, subsidies, charters, concessions, grants, rights, powers or privileges, granted or conferredby any government or subdivision or agency thereof, and any interest in or part of any of the foregoing, and to exercise in respect thereof the rights, powers, privileges, and immunities of individual owners or holders thereof.

3. To hire and employ agents, servants, and employees, and to enter into agreements of employment and collective bargaining agreements, and to act as agents, contractor, trustee, factor or otherwise, either alone or in company with others.

4. To promote or aid in any manner, financially or otherwise, any person, firm, associate, or corporation, and to guarantee contracts and other obligations.

5. To let concessions to others to do any of the things that this corporation is empowered to do, and to enter into, make, perform, and carry out, contracts and arrangements of every kind and character with any person, firm, association, or corporation, or any government or authority or subdivision or agency thereof.

6. To carry on any business whatsoever that this corporation may deem proper or convenient in connection with any of the foregoing purposes or otherwise, or that it may deem calculated, directly or indirectly, to improve the interests of this corporation, and to do all things specified in the laws of the State of Nevada, and to have and to exercise all powers conferred by the laws of said State of Nevada on corporations formed under the laws pursuant to which this corporation is formed, as such laws are now in effect or may at any time hereafter may be amended, and to do any and all things hereinabove set forth to the same extent and as fully as natural persons might or could do, either alone or in connection with other persons, firms, associations, or corporations, and in any part of the world.

The foregoing state of purposes shall be construed as a statement of both purposes and powers, shall be liberally construed in aid of the powers of this corporation, and the powers and purposes stated in each clause shall, except where otherwise stated, be in nowise limited or restricted by any term or provision of any other clause, and shall be regarded note only as independent purposes, but the purposes and powers stated shall be construed distributively as each object expressed, and the enumeration as to specific powers shall not be construed as to limit in any manner the aforesaid general powers, but are in furtherance of, in addition to, and not in limitation of said general powers.

7. To own, hold, rent, lease, manage, encumber, improve, exchange, buy, and sell real property, ollect rents, and do a general real estate business; and in general to have and exercise all powers,rights, and privileges necessary and incident to carrying out properly the objects above mentioned.

ARTICLE FOUR. CAPITALIZATION: The aggregate amount of the total authorized capital stock of this corporation is Seventy Five Thousand ($75,000) Dollars, consisting of Seventy Five Million Authorized (75,000,000) Shares at one mil ($0,001) par value per share divided into two classes of stock, being preferred and common of which 5,000,000 shares shall be authorized as preferred stock which may be issued in various series, and 70,000,000 shares shall be authorized as common stock which shall be non-assessable. All of the shares may be issued by the corporation from time to time and for such considerations as may be determined upon and fixed by the board of directors not inconsistent with law, and when such consideration has been received by the corporation, such shares shall be deemed fully paid. There shall be no cumulative voting, no preferences, limitations, or preemptive rights.

ARTICLE FIVE: AMENDMENT OF ARTICLES OF INCORPORATION. These articles of incorporation may be amended by the affirmative vote of a majority of the votes of the shareholders entitled to vote from time to time.

ARTICLE SIX: LOCATION: The principal office of the corporation is to be located at 846 Rusty Anchor Way, Henderson NV 89015

ARTICLE SEVEN: DIRECTORS. The members of the governing board of the corporation shall be styled “directors”. The total number of directors shall be not less than one (1) and not more than seven (7). The number of directors constituting the first board of directors is one (1), and the names and post office addresses of the first board of directors are:

NAME	Mailing Address
Camaran A. Lewis	PO Box 91731, Henderson NV 89009

The number of directors of the corporation may be changed by an affirmative vote of the shares of the corporation entitled to vote, in accordance with the provisions of Nevada Revised Statues 78.330.

ARTICLE EIGHT. INCORPORATORS. The name and address of the Incorporator is as follows:

NAME	Mailing Address
Camaran A. Lewis	PO Box 91731, Henderson NV 89009

ARTICLE NINE. THE INITIAL RESIDENT AGENT: The initial resident agent of the corporation and address of its resident agent is as follows:

NAME	Mailing Address
Camaran A. Lewis	846 Rusty Anchor Way, Henderson NV 89015

ARTICLE TEN. PERSONAL LIABILITY. The private property of the shareholders shall not be liable for obligations, suits of any kind including but not limited to malpractice suits, class action suits, discrimination suits, personal injury suits, anti-trust suits, liens, acts, or judgments of the corporation.

ARTICLE ELEVEN. DIRECTORY LIABILITY. Directors of the corporation shall not be held personally liable for obligations, suits of any kind including but limited to malpractice suits, class action suits, discrimination suits, personal injury suits, anti-trust suits, liens, acts or judgments of the corporation, or any other liability which may be construed to be contained within the scope of the laws and statues of the State of Nevada which pertain to Director Liability.

ARTICLETWELVE. LAWS AND SHAREHOLDERS AGREEMENT. There are separate bylaws regulating the internal affairs of the corporation.

IN WITNESS WHEREOF, I have executed these articles of incorporation in duplicate on this 8th day of February 2002, in Las Vegas, Nevada.

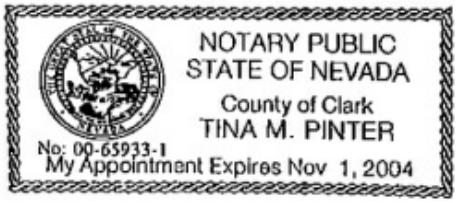
ACKNOWLEDGMENT

STATE OF NEVADA}

COUNTY OF CLERK}

On Feb. 8th, 2002, Camaran A. Lewis personally appeared before me, a notery public who acknowledged that she executed the above instrument.

My Commission expires on: Nov 1, 2004
Residing in: Las Vegas, NV



FEB 13 '02

STATE OF NEVADA
Secretary of State
I hereby certify that this is a
true and complete copy of the
document filed in this office

DEAN HELLER - Secretary of State

By

Exhibit 3.2

Exhibit 3.2 Amendment to the Articles of Incorporation, dated December 19, 2007, changing the names and effecting a reverse

STATE OF NEVADA

ROSS MILLER
Secretary of State

SCOTT W. ANDERSON
Deputy Secretary for Commercial Recordings

OFFICE OF THE
SECRETARY OF STATE

Certified Copy

May 7, 2013

Job Number: C20130506-2474
Reference Number: 20130304867-04
Expedite:
Through Date:

The undersigned filing officer hereby certifies that the attached copies are true and exact copies of all requested statements and related subsequent documentation filed with the Secretary of State's Office, Commercial Recordings Division listed on the attached report.

Document Number(s)	Description	Number of Pages
20070859661-44	Amendment	1 Pages/1 Copies

Respectfully,

ROSS MILLER
Secretary of State

Certified By: Greg Devaul
Certificate Number: C20130506-2474
You may verify this certificate online at **http://www.nvsos.gov/**

Commercial Recording Division
202 N. Carson Street
Carson City, Nevada 89701-4069
Telephone (775) 684-5708
Fax (775) 684-7138

ROSS MILLER
Secretary of State
204 North Carson Street, Ste 1
Carson City, Nevada 88701-4299
(775) 684 5708
Website: secretaryofstate.biz

Filed in the office of	Document Number
Ross Miller Secretary of State State of Nevada	**20070859661-44** Filing Date and Time **12/19/2007 10:36 AM** Entity Number **C3894-2002**

Certificate of Amendment

(PURSUANT TO NRS 78.385 AND 78.390)

USE BLACK INK ONLY - DO NOT HIGHLIGHT **ABOVE SPACE IS FOR OFFICE USE ONLY**

Certificate of Amendment to Articles of incorporation
For Nevada Profit Corporations
(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)

1. Name of corporation: _____

Satellite Organizing Solutions, Inc.

2. The articles have been amended as follows (provide article numbers, if available):

ARTICLE ONE is amended as follows: The name has been changed to Strategic Environmental & Energy Resources, Inc.

ARTICLE FOUR: The Fourth Article is amended to add the following: Each share of issued and outstanding common stock of the Company as of December 31, 2007, is reverse split on a one to four basis such that each old share represents 1/4 of *a* new share. A surrender of the old share certificate is required to be made by each shareholder in order to receive a new certificate reflecting the reverse split (and name change) except for those certificates held in "Street Name." The new split adjusted share certificates will be transmitted to the shareholders of record upon surrender of old certificates.

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise at least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the* articles of incorporation have voted in favor of the amendment is: _____

4. Effective date of filing (optional): 12/31/07
5. Officer Signature (Required): X

*If any proposed amendment would alter or change any preferences or any relative or other right given to any class or series of outstanding, shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless of limitations or restrictions on the voting power thereof.

IMPORTANT: Failure to include any of the above information and submit the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

Exhibit 3.3 ByLaws of the corporation, effective February 13, 2002

BYLAWS

of

SATELLITE ORGANIZING SOLUTIONS, INC.

BYLAWS
Index

BYLAWS
OF

ARTICLE I – Offices

The principal office of the Corporation shall be located at Henderson NV 89015 846 Rusty Anchor**,** way and it may be changed from time to time by the Board of Directors. The Corporation may also maintain offices at such other places within or without the United States as the Board of Directors may, from time to time, determine.

ARTICLE II – Meetings of Stockholders

SECTION 1 – Annual Meetings

The annual meeting of stockholders of the Corporation shall be held within six (6) months after the close of the fiscal year of the Corporation, for the purposes of electing directors, and transacting such other business as may properly come before the meeting.

SECTION 2 – Special Meetings

Special meetings of the stockholders may be called at any time by the Board of Directors or by the President, and shall be called by the President or the Secretary at the written request of the holders of twenty-five percent (25%) of the shares then outstanding and entitled to vote thereat, or as otherwise required by law.

SECTION 3 – Place of Meetings

All meetings of stockholders shall be held at the principal office of the Corporation, or at such other places as shall be designated in the notices or waivers of notice of such meetings.

SECTION 4 – Notice of Meetings

(a) Except as otherwise provided by statute, written notice of each meeting of stockholders, whether annual or special, stating the time when and place where it is to be held, shall be served either personally or by mail, not less than ten (10) or more than sixty (60) days before the meeting, upon each stockholder of record entitled to vote at such meeting, and to any other stockholder to whom the giving of notice may be required by law. Notice of such meeting, and to any other stockholder to whom the giving of notice may be required by law. Notice of a special meeting shall also state the purpose or purposes for which the meeting is called, and shall indicate that it is being issued by, or at the direction of, the person or persons calling the meeting. If, at any meeting, action is proposed to be taken that would, if taken, entitle stockholders to receive payment for their shares pursuant to statute, the notice of such meeting shall include a statement of that purpose and to that effect. If mailed, such notice shall be directed to each such stockholder at his address, as it appears on the records of the stockholders of the Corporation, unless he shall have previously filed with the Secretary of the Corporation a written request that notices intended for him he mailed to some other address, in which case, it shall be mailed to the address designated in such request.

(b) Notice of any meeting need not be given to any person who may become a stockholder of record after the mailing of such notice and prior to the meeting, or to any stockholder who attends such meeting, in person or by proxy, or submits a signed waiver of notice either before or after such a meeting. Notice of any adjourned meeting of stockholders need not be given, unless otherwise required by statute.

SECTION 5 – **Quorum**

(a) Except as otherwise provided herein, or by statute, or in the Certificate of Incorporation (such certificate and any amendments thereof being hereinafter collectively referred to as the "Certificate of Incorporation"), at all meetings of stockholders of the Corporation, the presence at the commencement of such meetings in person or by proxy of stockholders holding of record 50% of the total number of shares of the Corporation then issued and outstanding and entitled to vote, shall be necessary and sufficient to constitute a quorum for the transaction of any business. The withdrawal of any stockholder after the commencement of a meeting shall have no effect on the existence of a quorum, after a quorum has been established at such meeting.

(b) Despite the absence of a quorum at any annual or special meeting of stockholders, the stockholders, by a majority of the votes cast by the holders of shares entitled to vote thereat, may adjourn the meeting. At any such adjourned meeting at which a quorum is present, any business may be transacted at the meeting as originally called if a quorum had been present.

SECTION 6 – Voting

(a) Except as otherwise provided by statute or by the Certificate of Incorporation, any corporate action, other than the election of Directors, to be taken by vote of the stockholders, shall be authorized by a majority of votes cast at a meeting of stockholders by the holders of shares entitled to vote thereat.

(b) Except as otherwise provided by statute or by the Certificate of Incorporation, at each meeting of stockholders, each holder of record of stock of the Corporation entitled to vote thereat shall be entitled to one (1) vote for each share of stock registered in his name on the books of the Corporation.

(c) Each stockholder entitled to vote or to express consent or dissent without a meeting may do so by proxy; provided, however, that the instrument authorizing such proxy to act shall have been executed in writing by the stockholder himself or by his attorney-in-fact thereunto duly authorized in writing. No proxy shall be valid after the expiration of eleven (11) months from the date of its execution, unless the person executing it shall have specified therein the length of time it is to continue in force. Such instrument shall be exhibited to the Secretary at the meeting and shall be filed with the minutes of the meeting.

(d) Any action, except election of directors, which may be taken by a vote of stockholders at a meeting, may be taken without a meeting if authorized by a written consent of shareholders holding at least a majority of the voting power; provided that if a greater proportion of voting power is required by such action at such meeting, then such greater proportion of written consents shall be required.

ARTICLE III – Board of Directors

SECTION 1 – Number, Election and Term of Office

(a) The number of the Directors of the Corporation shall be not less than one (1) or more than nine (9) unless and until otherwise determined by vote of a majority of the entire Board of Directors. The number of Directors shall not be less than three (3), unless all of the outstanding shares of stock are owned beneficially and of record by less than three (3) stockholders, in which event the number of Directors shall not be less than the number of stockholders or the minimum permitted by statute.

(b) Except as may otherwise be provided herein or in the Certificate of Incorporation by way of cumulative voting rights, the members of the Board of Directors of the Corporation, who need not be stockholders, shall be elected by a majority of the votes cast at a meeting of stockholders, by the holders of shares of stock present in person or by proxy, entitled to vote in the election.

(c) Each Director shall hold office until the annual meeting of the stockholders next succeeding his election, and until his successor is elected and qualified or until his prior death, resignation or removal.

SECTION 2 – **Duties and Powers**

The Board of Directors shall be responsible for the control and management of the affairs, properly and interests of the Corporation and may exercise all powers of the Corporation, except as are in the Certificate of Incorporation or by statute expressly conferred upon or reserved to the stockholders.

SECTION 3 – **Annual and Regular Meetings; Notice**

(a) Regular annual meetings of the Board of Directors shall be held immediately following the annual meetings of the stockholders, at the place of such annual meetings of stockholders.

(b) The Board of Directors, from time to time, may provide by resolution for the holding of other regular meetings of the Board of Directors, and may fix the time and place thereof.

(c) Notice of any regular meeting of the Board of Directors shall not be required to be given and, if give, need not specify the purpose of the meeting; provided, however, that in case the Board of Directors shall fix or change the time or place of any regular meeting, notice of such action shall be given to each Director who shall not have been present at the meeting at which such change was made, within the time limited, and in the manner set forth in Paragraph (b) Section 4 of this Article III, with respect to special meetings, unless such notice shall be waived in the manner set forth in Paragraph (c) of such Section 4.

SECTION 4 – **Special Meetings; Notice**

(a) Special meetings of the Board of Directors shall be held whenever called by the President or by one (1) of the Directors, at such time and place as may be specified in the respective notices or waivers of notice thereof.

(b) Except as otherwise required by statute, notice of special meetings shall be mailed directly to each Director, addressed to him at his residence or usual place of business, at least four (4) days before the day on which the meeting is to be held, or shall be sent to him at such place by telegram, radio or cable, or shall be delivered to him personally or given to him orally, not later than the day before the day on which the meeting is to be held. A notice or waiver of notice except as required by Section 8 of this Article, need not specify the purpose of the meeting.

(c) Notice of any special meeting shall not be required to be given to any Director who shall attend such meeting without protesting prior thereto or at its commencement, the lack of notice to him or who submits a signed waiver of notice, whether before or after the meeting. Notice of any adjournment meeting shall not be required to be given.

SECTION 5 – **Chairman**

At all meetings of the Board of Directors, the Chairman of the Board, if any and if present, shall preside. If there shall be no Chairman, or he shall be absent, then the Vice-Chairman shall preside, and in his absence, a Chairman chosen by the Directors shall preside.

SECTION 6 – **Quorum and Adjournments**

(a) At all meetings of the Board of Directors, the presence of a majority of the entire Board shall be necessary and sufficient to constitute a quorum for the transaction of business, except as otherwise provided by law, by the Certificate of Incorporation, or by these Bylaws.

(b) A majority of the Directors, present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice, until a quorum shall be present.

SECTION 7 – **Manner of Acting**

(a) At all meetings of the Board of Directors, each Director present shall have one (1) vote, irrespective of the number of shares of stock, if any, which he may hold.

(b) Except as otherwise provided by statute, by the Certificate of Incorporation, or by these Bylaws, the action of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors.

(c) Unless otherwise required by amendment to the Articles of Incorporation or statute, any action required or permitted to be taken at any meeting of the Board of Directors or any Committee thereof may be taken without a meeting if a written consent thereto is signed by all the members of the Board or Committee. Such written consent shall be filed with the minutes of the proceedings of the Board or Committee.

(d) Unless otherwise prohibited by Amendments to the Articles of Incorporation or statute, members of the Board of Directors or of any Committee of the Board of Directors may participate in a meeting of such Board or Committee by means of a conference telephone network or a similar communications method by which all persons participating in the meeting can hear each other. Such participation constitutes presence of all of the participating persons at such meeting, and each person participating in the meeting shall sign the minutes thereof, which may be signed in counterparts.

SECTION 8 – **Vacancies**

Any vacancy in the Board of Directors, occurring by reason of an increase in the number of Directors, or by reason of the death, resignation, disqualification, removal (unless vacancy created by the removal of a Director by the stockholders shall be filled by the stockholders at the meeting at which the removal was effected) or inability to act of any Director, or otherwise, shall be filled for the unexpired portion of the term by a majority vote of the remaining Directors, though less than a quorum, at any regular meeting or special meeting of the Board of Directors called for that purpose.

SECTION 9 – **Resignation**

Any Director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Corporation. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the Board of Directors or such officer, and the acceptance of such resignation shall not be necessary to make it effective.

SECTION 10 – **Removal**

Any Director may be removed with or without cause at any time by the affirmative vote of stockholders holding of record in the aggregate at least a majority of the outstanding shares of stock of the Corporation at a special meeting of the stockholders called for that purpose, and may be removed for cause by action of the Board.

SECTION 11 – **Salary**

No stated salary shall be paid to Directors, as such, for their services, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; provided, however, that nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

SECTION 12 – **Contracts**

(a) No contract or other transaction between this Corporation and any other corporation shall be impaired, affected or invalidated, nor shall any Director be liable in any way by reason of the fact that one or more of the Directors of this Corporation is or are interested in, or is a Director or Officer, or are Directors or Officers of such other Corporations, provided that such facts are disclosed or made known to the Board of Directors, prior to their authorizing such transaction.

(b) Any Director, personally and individually, may be a party to or may be interested in any contract or transaction of this Corporation, and no Directors shall be liable in any way by reason of such interest, provided that the fact of such interest be disclosed or made known to the Board of Directors prior to their authorization of such contract or transaction, and provided that the Board of Directors shall authorize, approve or ratify such contract or transaction by the vote (not counting the vote of any such Director) of a majority of a quorum, notwithstanding the presence of any such Director at the meeting at which such action is taken. Such Director or Directors may be counted in determining the presence of a quorum at such meeting. This Section shall not be construed to impair, invalidate or in any way affect any contract or other transaction which would otherwise be valid under the law (common, statutory or otherwise) applicable thereto.

SECTION 13 – **Committees**

The Board of Directors, by resolution adopted by a majority of the entire Board, may from time to time designate from among its members an executive committee and such other committees, and alternate members thereof, as they may deem desirable, with such powers and authority (to the extent permitted by law) as may be provided in such resolution. Each such committee shall serve at the pleasure of the Board.

ARTICLE IV – Officers

SECTION 1 – **Number, Qualifications, Election and Term of Office**

(a) The Officers of the Corporation shall consist of a President, a Secretary, a Treasurer, or a President and Secretary-Treasurer, and such other officers, including a Chairman of the Board of Directors, and one or more Vice Presidents, as the Board of Directors may from time to time deem advisable. Any Officer other than the Chairman or Vice Chairman of the Board of Directors may be, but is not required to be, a Director of the Corporation. Any two (2) or more offices may be held by the same person.

(b) The Officers of the Corporation shall be elected by the Board of Directors at the regular annual meeting of the Board following the annual meeting of stockholders.

(c) Each Officer shall hold office until the annual meeting of the Board of Directors next succeeding his election, and until his successor shall have been elected and qualified or until his death, resignation or removal.

SECTION 2 – **Resignation**

Any officer may resign at any time by giving written notice of such resignation to the Board of Directors, or to the President or the Secretary of the Corporation. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the Board of Directors or by such Officer, and the acceptance of such resignation shall not be necessary to make it effective.

SECTION 3 – **Removal**

Any officer may be removed, either with or without cause, and a successor elected by a majority vote of the Board of Directors at any time.

SECTION 4 – **Vacancies**

A vacancy in any office by reason of death, resignation, inability to act, disqualification or any other cause, may at any time, be filled for the unexpired portion of the term by a majority vote of the Board of Directors.

SECTION 5 – **Duties of Officers**

Officers of the Corporation shall, unless otherwise provided by the Board of Directors, each have such powers and duties as generally pertain to their respective offices as well as such powers and duties as may be set forth in these Bylaws, or may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be the Chief Executive Officer of the Corporation.

SECTION 6 – **Sureties and Bonds**

In case the Board of Directors shall so require, any Officer, employee or agent of the Corporation shall execute to the Corporation a bond in such sum, and with such surety or sureties as the Board of Directors may direct, conditioned upon the faithful performance of his to the Corporation, including responsibility for negligence for the accounting for all property, funds or securities of the Corporation which may come into his hands.

SECTION 7 – **Shares of Stock of Other Corporations**

Whenever the Corporation is the holder of shares of stock of any other corporation, any right or power of the Corporation as such stockholder (including the attendance, acting and voting at stockholders' meetings and execution of waivers, consents, proxies or other instruments) may be exercised on behalf of the Corporation by the President, any Vice President or such other person as the Board of Directors may authorize.

ARTICLE V – Shares of Stock

SECTION 1 – **Certificate of Stock**

(a) The certificates representing shares of the Corporation's stock shall be in such form as shall be adopted by the Board of Directors, and shall be numbered and registered in the order issued. The certificates shall bear the following: the Corporate Seal, the holder's name, the number of shares of stock and the signature of:

(1) the Chairman of the Board, the President, or a Vice President and
(2) The Secretary, Treasurer, any Assistant Secretary or Assistant Treasurer.

(b) No certificate representing shares of stock shall be issued until the full amount of consideration therefor has been paid, except as otherwise permitted by law.

(c) To the extent permitted by law, the Board of Directors may authorize the issuance of certificates for fractions of a share of stock which shall entitle the holder to exercise voting rights, receive dividends and participate in liquidating distributions, in proportion to the fractional holdings; or it may authorize the payment in cash of the fair value of fractions of a share of stock as of the time when those entitled to receive such fractions are determined; or it may authorize the issuance, subject to such conditions as may be permitted by law, of scrip in registered or bearer form over the signature of an Officer or Agent of the Corporation, exchangeable as therein provided for full shares of stock, but such scrip shall not entitle the holder to any rights of a stockholder, except as therein provided,

SECTION 2 – **Lost or Destroyed Certificates**

The holder of any certificate representing shares of stock of the Corporation shall immediately notify the Corporation of any loss or destruction of the certificate representing the same. The Corporation may issue a new certificate in the place of any certificate theretofore issued by it, alleged to have been lost or destroyed. On production of such evidence of loss or destruction as the Board of Directors in its discretion may require, the Board of Directors may, in its discretion, require the owner of the lost or destroyed certificate, or his legal representatives, to give the Corporation a bond in such sum as the Board may direct, and with such surety or sureties as may be satisfactory to the Board, to indemnify the Corporation against any claims, loss, liability or damage it may suffer on account of the issuance of the new certificate. A new certificate may be issued without requiring any such evidence or bond when, in the judgement of the Board of Directors, it is proper to do so.

SECTION 3 – **Transfer of Shares**

(a) Transfer of shares of stock of the Corporation shall be made on the stock ledger of the Corporation only by the holder of record thereof, in person or by his duly authorized attorney, upon surrender for cancellation of the certificate or certificates representing such shares of stock with an assignment or power of transfer endorsed thereon or delivered therewith, duly executed, with such proof of the authenticity of the signature and of authority to transfer and of payment of taxes as the Corporation or its agents may require.

(b) The Corporation shall be entitled to treat the holder of record of any share or shares of stock as the absolute owner thereof for all purposes and, accordingly, shall not be bound to recognize any legal, equitable or other claim to, or interest in, such share or shares of stock on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by law.

SECTION 4 – **Record Date**

In lieu of closing the stock ledger of the Corporation, the Board of Directors may fix, in advance, a date not exceeding sixty (60) days, nor less than ten (10) days, as the record date for the determination of stockholders entitled to receive notice of, or to vote at, any meeting of stockholders, or to consent to any proposal without a meeting, or for the purpose of determining stockholders entitled to receive payment of any dividends or allotment of any rights, or for the purpose of any other action. If no record date is fixed, the record date for the determination of stockholders entitled to notice of, or to vote at, a meeting of stockholders shall be at the close of business on the day next preceding the day on which the notice is given, or, if no notice is given, the day preceding the day on which the meeting is held. The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the resolution of the Directors relating thereto is adopted. When a determination of stockholders of record entitled to notice of, or to vote at, any meeting of stockholders has been made, as provided for herein, such determination shall apply to any adjournment thereof, unless the directors fix a new record date for the adjourned meeting.

ARTICLE VI – Dividends

Subject to applicable law, dividends may be declared and paid out of any funds available therefor, as often, in such amount, and at such time or times as the Board of Directors may determine.

ARTICLE VII – Fiscal Year

The fiscal year of the Corporation shall be December 31 and may be changed by the Board of Directors from time to time subject to applicable law.

ARTICLE VIII – Corporate Seal

The corporate seal shall be in such form as shall be approved from time to time by the Board of Directors.

ARTICLE IX – Indemnity

Any person made a party to any action, suit or proceeding, by reason of the fact that he, his testator or interstate representative is or was a Director, officer or employee of the Corporation, or of any corporation in which he served as such at the request of the Corporation, shall be indemnified by the Corporation against the reasonable expenses, including attorneys* fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceedings, or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding or in connection with any appeal therein that such Officer, Director or employee is liable for gross negligence or misconduct in the performance of his duties. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which any Officer or Director or employee may be entitled apart from the provisions of this Article. The amount of indemnity to which any Officer or any Director or any employee may be entitled shall be fixed by the Board of Directors, except that in any case in which there is no disinterested majority of the Board available, the amount shall be fixed by arbitration pursuant to the then existing rules of the American Arbitration Association.

ARTICLE X – Amendments

SECTION 1 – By Stockholders

All bylaws of the Corporation shall be subject to alteration or repeal, and new bylaws may be made by the affirmative vote of stockholders holding of record in the aggregate at lease a majority of the outstanding shares of stock entitled to vote in the election of Directors at any annual or special meeting of stockholders, provided that the notice or waiver of such meeting shall have summarized or set forth in full therein, the proposed amendment.

SECTION 2 – By Directors

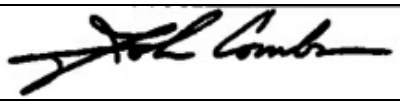
The Board of Directors shall have power to make, adopt, alter, amend and repeal, from time to time, bylaws of the Corporation, provided, however, that the stockholders entitled to vote with respect thereto as in this Article X above-provided may alter, amend or repeal bylaws made by the Board of Directors, except that the Board of Directors shall have no power to change the quorum for meetings of stockholders or of the Board of Directors or to change any provisions of the bylaws with respect to the removal of Directors or the filling of vacancies in the Board resulting from the removal by the stockholders. If any bylaw regulating an impending election of Directors is adopted, amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of stockholders for the election of Directors, the bylaws so adopted, amended or repealed, together with a concise statement of the changes made.

CERTIFICATE OF PRESIDENT

THIS IS TO CERTIFY that I am the duly elected, qualified and acting President of _____ and that the above and foregoing bylaws constitute a true original copy and were duly adopted as the bylaws of said Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand.

DATED:_____



_____

PRESIDENT

Exhibit 4.1

FORM OF CONVERTIBLE SECURED PROMISSORY NOTE

US$225,000 February 14, 2012

FOR VALUE RECEIVED, Strategic Environmental & Energy Resources, Inc., a Nevada corporation with offices at 7801 Brighton Road, Commerce City, Colorado 80022 ("SEER"), and MV, LLC a Colorado limited liability company and wholly owned subsidiary of SEER with offices at 701 Pine Ridge Road, Suite 5, Golden, Colorado 80403 ("MV", and together with SEER, the "Makers"), hereby promise, jointly and severally, to pay to the order of Advanced Technology Materials, Inc., a Delaware corporation with offices at 7 Commerce Drive, Danbury, Connecticut 06810 (the "Holder"), the principal sum of TWO HUNDRED TWENTY-FIVE THOUSAND AND 00/100 UNITED STATES DOLLARS (US$225,000), plus interest thereon as hereinafter provided, in immediately available funds. The principal sum and interest thereon under this Convertible Secured Promissory Note (this "Note") shall be payable as described below. This Note is issued pursuant to that certain Loan Agreement dated as of February 14, 2012 by and among the Makers and the Holder (the "Loan Agreement").

1 . Payment of Interest and Principal on Note. The original principal amount of this Note is Two Hundred Twenty-Five Thousand Dollars (US$225,000), which amount shall accrue interest at a fixed rate equal to five percent (5.0%) per annum ("Interest Rate"). This Note shall be convertible as set forth in Section 2 below. If this Note is not converted pursuant to Section 2, principal in the amount of One Hundred Twelve Thousand Five Hundred Dollars (US$112,500) and any accrued interest thereon (the "Pay-Off Amount") shall be due and payable ON DEMAND at the request of the Holder at any time on or after December 31, 2014. Following and during the continuance of any Event of Default (as defined below), interest on the Pay-Off Amount shall accrue at a fixed rate of interest equal to three hundred (300) basis points above the Interest Rate. Principal and interest payments shall be made to the Holder at the address set forth in the opening paragraph of this Note, or at such place as the Holder shall have notified the Makers in writing. Notwithstanding anything to the contrary contained herein, in no event shall the amount payable by the Makers as interest or other charges on this Note exceed the highest lawful rate permissible under any law applicable hereto. If any payment under this Note shall be specified to be made on a day which is not a business day, it shall be made on the next succeeding day which is a business day. For purposes of this Note, a "business day" shall mean any day except Saturday, Sunday or other day on which banks are authorized to close in the State of Connecticut or the State of Colorado.

2. Conversion.

(a) At any time and upon the Holder's option, all or a portion of the aggregate amount of principal and accrued interest outstanding under this Note (the "Converted Amount") may be voluntarily converted (a "Voluntary Conversion") into that number of fully paid and non-assessable shares of common stock of SEER determined by dividing the Converted Amount by $0.50 per share of common stock.

(b) Upon conversion, the Holder shall surrender this Note at the office of SEER or of its transfer agent. Thereupon, SEER or its transfer agent shall issue and deliver to the Holder the number of shares of common stock of SEER into which the Converted Amount was convertible on the date on which such Voluntary Conversion occurred, including, as applicable, any replacement note in respect of any amount outstanding under this Note that is not subject to the Voluntary Conversion. SEER shall not be obligated to issue the shares of its common stock issuable upon such Voluntary Conversion or, as applicable, any replacement note, unless this Note is either delivered to SEER or any such transfer agent or the Holder notifies SEER or any such transfer agent that this Note has been lost, stolen or destroyed and executes an agreement reasonably satisfactory to SEER to indemnify SEER from any loss incurred by it in connection therewith.

(c) No fractional shares shall be issued. In lieu of such fractional shares, SEER shall pay the cash value of such fraction.

3 . Events of Default. The occurrence of any of the following shall constitute an "Event of Default" under this Note: (a) the failure of the Makers to make any payment of principal or interest within three (3) business days after the same becomes due and payable hereunder; (b) (i) the filing of a petition by or against a Maker under any provision of the Bankruptcy Reform Act, Title 11 of the United States Code, as amended or recodified from time to time, or under any similar law relating to bankruptcy, insolvency or other relief for debtors and such proceeding or case shall continue undismissed or unstayed and in effect for a period of at least sixty (60) consecutive days; (ii) the consent of a Maker to the appointment of a receiver, trustee, custodian or liquidator of or for all or any part of the assets or property of such Maker; or (iii) the making of a general assignment by a Maker for the benefit of its creditors; (c) the sale by a Maker of all or substantially all of its assets or an acquisition of a controlling interest in such Maker (through merger, sale of stock or otherwise) by any third party or parties (other than to the Holder); or (d) the breach by either Maker of any representation, warranty, covenant or agreement set forth in this Note, the Loan Agreement or the Security Agreement (as defined below).

4 . Security Interest. THIS NOTE IS SECURED BY A SECURITY INTEREST IN THE COLLATERAL, AS DEFINED AND FURTHER DESCRIBED IN THAT CERTAIN SECURITY AGREEMENT DATED AS OF FEBRUARY 14, 2012 BY AND AMONG THE PARTIES HERETO (THE "SECURITY AGREEMENT"), WHICH SECURITY INTEREST IS AND SHALL REMAIN SENIOR TO ALL OTHER SECURITY INTERESTS OF THE MAKER IN RESPECT OF THE COLLATERAL (OTHER THAN PERMITTED LIENS, AS DEFINED IN THE SECURITY AGREEMENT).

5 . Rights and Remedies. If an Event of Default shall have occurred and be continuing, the Holder may, at its option, declare the principal of and the accrued and unpaid interest on this Note to be immediately due and payable, and thereupon the same shall become so due and payable, without presentment, demand, protest or notice, all of which are hereby waived by the Makers. No course of dealing or delay on the part of the Holder in exercising any right shall operate as a waiver thereof or otherwise prejudice the right of the Holder. No remedy conferred hereby shall be exclusive of any other remedy referred to herein or now or hereafter available at law, in equity, by statute, other agreement or instrument, or otherwise. EACH MAKER ACKNOWLEDGES THAT THE LOAN EVIDENCED BY THIS NOTE IS A COMMERCIAL TRANSACTION AND WAIVES RIGHTS TO NOTICE AND HEARING AS ALLOWED UNDER ANY STATE OR FEDERAL LAW WITH RESPECT TO ANY PREJUDGMENT REMEDY WHICH THE HOLDER MAY DESIRE TO USE.

6 . Costs and Expenses. Upon the occurrence of any Event of Default, the Makers shall pay all reasonable out-of-pocket costs and expenses incurred by the Holder (including court costs and reasonable attorneys' fees) in preserving, protecting, maintaining or enforcing the Holder's rights and remedies hereunder, including all costs and expenses of collection.

7 . Prepayment. This Note may be prepaid in whole by Debtors upon prior written notice to Holder (a "Notice of Prepayment"). Upon Holder's receipt of a Notice of Prepayment, Holder shall have ten (10) business days to exercise its right to Voluntary Conversion. If Holder fails to exercise such right, Debtors may prepay all outstanding interest and principal under this Note without penalty.

8 . Cancellation. Upon the payment and/or conversion of the entire principal amount of this Note and the payment and/or conversion of the accrued interest thereon in accordance with the terms herein, this Note shall be canceled.

9. Miscellaneous.

(a) Amendment and Waiver. Except as otherwise expressly provided herein, neither this Note nor any term hereof may be amended, waived, discharged or terminated, except by a written instrument signed by the Makers and the Holder.

(b) Successors and Assigns. This Note shall be binding upon and inure to the benefit of the respective successors and permitted assigns of the parties hereto as contemplated herein, and any successors to the Makers by way of merger or otherwise shall specifically agree to be bound by the terms hereof as a condition of such successor.

(c) Electronic Signature. For purposes of this Note, a document (or signature page thereto) signed and transmitted by facsimile machine or other electronic means is to be treated as an original document. The signature of any party on any such document, for purposes hereof, is to be considered as an original signature, and the document transmitted is to be considered to have the same binding effect as an original signature on an original document. At the request of any party, any facsimile or other electronic signature is to be re-executed in original form by the parties which executed the facsimile or other electronic signature. No party may raise the use of a facsimile machine or other electronic means, or the fact that any signature was transmitted through the use of a facsimile machine or other electronic means, as a defense to the enforcement of this Note.

(d) Notices. All notices and other communications given or made pursuant to this Note shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (i) personal delivery to the party to be notified; (ii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iii) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to each party as follows:

If to the Makers:

Strategic Environmental & Energy Resources, Inc.
7801 Brighton Road
Commerce City, CO 80022
Facsimile No: 303-295-6498
Attention: J John Combs III, President & CEO

MV, LLC
701 Pine Ridge Road, Suite 5
Golden, CO 80403
Facsimile No: 303-277-9724
Attention: John Jenkins

If to the Holder:

Advanced Technology Materials, Inc.
7 Commerce Drive
Danbury, CT 06810
203-797-2544
Attention: Patrick Shima, Deputy Chief Legal Officer & Assistant Secretary

with a copy to:

Wiggin and Dana LLP
2 Stamford Plaza
281 Tresser Boulevard
Stamford, CT 06901
Facsimile No: 203-363-7676
Attention: Mark Kaduboski, Esq.

(e) Governing Law and Jurisdiction. Except for Section 2 and all other provisions regarding Voluntary Conversion, which shall be governed by and construed in accordance with the laws of the State of Nevada (without regard to conflicts of law principles that would result in the application of any law other than the law of the State of Nevada), this Note shall be governed by and construed in accordance with the laws of the State of Colorado (without regard to conflicts of law principles that would result in the application of any law other than the law of the State of Colorado). The parties agree to submit to the jurisdiction of the courts of the State of Connecticut in any proceeding involving this Note.

(f) Headings or Captions. The headings or captions of the various Sections of this Note are intended for convenient reference only and neither form a part hereof nor are to be relied upon to interpret or modify any of the provisions of this Note.

(g) Severability. In case any one or more of the provisions contained in this Note, should be determined to be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein, or therein, shall not be in any way affected or impaired thereby.

(h) WAIVERS OF JURY TRIAL. THE PARTIES HERETO WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS NOTE OR UNDER ANY AGREEMENT, INSTRUMENT OR OTHER DOCUMENT CONTEMPLATED HEREBY OR RELATED HERETO AND IN ANY ACTION DIRECTLY OR INDIRECTLY RELATED TO OR CONNECTED WITH THE OBLIGATIONS UNDER THIS NOTE, OR ANY CONDUCT RELATING TO THE ADMINISTRATION OR ENFORCEMENT OF THE OBLIGATIONS OR ARISING FROM THE DEBTOR/CREDITOR RELATIONSHIP OF THE MAKERS AND THE HOLDER. EACH MAKER ACKNOWLEDGES THAT THIS WAIVER MAY DEPRIVE IT OF AN IMPORTANT RIGHT AND THAT SUCH WAIVER HAS BEEN KNOWINGLY AND VOLUNTARILY MADE BY SUCH MAKER AFTER CONSULTATION WITH ITS LEGAL COUNSEL.

[*Signature page follows.*]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Note on the date first set forth above.

MAKERS:

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

By: /s/ John Combs
Name: John Combs
Title: CEO

MV, LLC

By: /s/ John Jenkins
Name: John Jenkins
Title: President

AGREED & ACCEPTED:

HOLDER:

ADVANCED TECHNOLOGY MATERIALS, INC.

By: / s/ Douglas A Newgold
Name: Douglas A. Newgold
Title: Chairman, CEO

Exhibit 4.2

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). SUCH SECURITIES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SAID ACT.

WARRANT TO PURCHASE

250,000 SHARES

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

(Incorporated under the laws of the State of Nevada)

WARRANT CERTIFICATE FOR THE PURCHASE OF SHARES OF
THE $.001 PAR VALUE COMMON STOCK OF
STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

EXERCISABLE ONLY AFTER _____ **2011**
AND VOID AFTER _____ **2014** (3 years)

1. Strategic Environmental & Energy Resources, Inc., Inc. (the “Company”), hereby certifies that, for value received, _____ (referred to herein as the “Holder”), is entitled to purchase, subject to the terms and conditions hereinafter set forth, at anytime from and after _____**, 2011,** and on or before _____**, 2014** (the "Warrant Period"), up to **250,000** shares of the $.001 par value common stock (“Common Stock”) of the Company. This Warrant may be exercised in whole or in part. Such exercise shall be accomplished by tender to the Company of the purchase price of **$.50 per share** (the “Warrant Price”), either in cash (wired funds) or by certified check or bank cashier's check, payable to the order of the Company, together with presentation and surrender to the Company of this Warrant with an executed subscription in substantially the form attached hereto as Exhibit “A.” Fractional shares of the Company's Common Stock will not be issued upon the exercise of this Warrant. Upon twenty (20) days' prior written notice to all holders of the Warrants, the Company shall have the right to reduce the exercise price and/or extend the term of the Warrants.

2. The Company agrees at all times to reserve and hold available out of the aggregate of its authorized but unissued Common Stock the number of shares of its Common Stock issuable upon the exercise of this and all other Warrants of like tenor then outstanding. The Company further covenants and agrees that all shares of Common Stock that may be delivered upon the exercise of this Warrant will, upon delivery, be fully paid and nonassessable and free from all taxes, liens and charges with respect to the purchase thereof hereunder.

3. This Warrant does not entitle the Holder to any voting rights or other rights as a shareholder of the Company, nor to any other rights whatsoever except the rights herein set forth, and no dividend shall be payable or accrue by reason of this Warrant or the interest represented hereby, or the shares purchasable hereunder, until or unless, and except to the extent that, this Warrant is exercised.

4. The Warrant Price and the number of shares purchasable upon the exercise of this Warrant are subject to adjustment from time to time upon the occurrence of any of the events specified in this Section 4.

(a) In case the Company shall (i) pay a dividend in shares of Common Stock or make a distribution in shares of Common Stock, (ii) subdivide its outstanding shares of Common Stock into a greater number of shares, (iii) combine its outstanding shares of Common Stock into a smaller number of shares of Common Stock, or (iv) issue by reclassification of its shares of Common Stock other securities of the Company, the number of shares of Common Stock purchasable upon exercise of this Warrant immediately prior thereto shall be adjusted so that the Holder of this Warrant shall be entitled to receive the kind and number of shares of Common Stock or other securities of the Company that he would have owned or have been entitled to receive after the happening of any of the events described above, had such Warrant been exercised immediately prior to the happening of such event or any record date with respect thereto. Whenever the number of shares of Common Stock purchasable upon the exercise of this Warrant is adjusted pursuant to this paragraph (a), the Warrant Price shall be adjusted by multiplying such Warrant Price immediately prior to such adjustment by a fraction, of which the numerator shall be the number of shares of Common Stock purchasable upon the exercise of this Warrant immediately prior to such adjustment, and of which the denominator shall be the number of shares of Common Stock so purchasable immediately thereafter. An adjustment made pursuant to this paragraph (a) shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event.

(b) For the purpose of this Section 4, the term shares of Common Stock shall mean (i) the class of stock designated as the Common Stock of the Company at the date of this Warrant, or (ii) any other class of stock resulting from successive changes or value to no par value, or from no par value to par value.

(c) If during the Warrant Period the Company consolidates with or merges into another corporation or transfers all or substantially all of its assets the Holder shall thereafter be entitled upon exercise hereof to purchase, with respect to each share of Common Stock purchasable hereunder immediately prior to the date upon which such consolidation or merger becomes effective, the securities or property to which a holder of shares of Common Stock is entitled upon such consolidation or merger, without any change in, or payment in addition to the Warrant Price in effect immediately prior to such merger or consolidation, and the Company shall take such steps in connection with such consolidation or merger as may be necessary to ensure that all of the provisions of this Warrant shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or property thereafter deliverable upon the exercise of this Warrant.

(d) Irrespective of any adjustments pursuant to this Section 4 to the Warrant Price or to the number of shares or other securities or other property obtainable upon exercise of this Warrant, this Warrant may continue to state the Warrant Price and the number of shares obtainable upon exercise, as the same price and number of shares stated herein.

(e) Payment of the Exercise Price may be made by Cash Exercise: cash (wired Funds), bank or cashier's check or wire transfer, at the election of Holder.

(f) "Exempt Issuance" means the issuance of (a) shares of Common Stock or options to employees, officers, directors or consultants of the Company pursuant to any stock or option plan duly adopted by a majority of the members of the Board of Directors of the Company (which shall include the approval of all independent directors, if any) or a committee of non-directors (which shall include the approval of all independent directors, if any) established for such purpose, (b) securities upon the exercise or exchange of or conversion of any securities issued hereunder and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise, exchange or conversion price of any such securities, provided all holders of the Secured Notes receive the same conversion terms,

(c) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors, provided any such issuance shall only be to a Person which is, itself or through its subsidiaries, an operating company in a business synergistic with the business of the Company and in which the Company receives benefits in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities or (d) in connection with the Company's raising $3 to $4 million in capital form an institutional investor in the six months following the date of this Warrant.

5. The Holder hereby agrees that the resale of the shares of Common Stock issuable upon exercise hereof may be subject to a "lock-up" pursuant to any restrictions reasonably required by any underwriter, if applicable, and to the extent the Company undertakes a secondary offering.

6. The Company may cause the following legend or one similar thereto to be set forth on each certificate representing Warrant Stock or any other security issued or issuable upon exercise of this Warrant unless counsel for the Company is of the opinion as to any such certificate that such legend is unnecessary:

The shares represented by this Certificate have not been registered under the Securities Act of 1933 (the "Act") and are "restricted securities" as that term is defined in Rule 144 under the Act. The shares may not be offered for sale, sold, or otherwise transferred except pursuant to an effective registration statement under the Act or pursuant to an exemption from registration under the Act, the availability of which is to be established to the satisfaction of the Company.

7. In the event that the Company proposes to file a registration statement under the Act which relates to a current offering of Securities of the Company (except in connection with an offering on Form S-8 or S-4 or any other inappropriate form), such registration statement (and the prospectus included therein) shall also, at the written request to the Company by the Holder, relate to and meet the requirements of the Act with respect to any public offering of the Warrant Stock shares so as to permit the public sale of all or some portion of the Warrant Stock. The Company shall give written notice to the Holder of its intention to file a registration statement under the Act relating to a current offering of securities of the Company not less than fifteen (15) days prior to the filing of such registration statement. Any written request of the holder to include the Warrant Stock shares held by the Holder shall be given to the Company not less than five (5) days prior to the date specified in the notice as the date on which such registration statement is intended to be filed with the Securities and Exchange Commission. Neither the delivery of such notice by the Company nor of such request by the Holder shall obligate the Company to file such registration statement and notwithstanding the filing of such registration statement, the Company may, at any time prior to the effective date thereof, determine to withdraw such registration statement and not offer the securities intended to be offered by the Company to which the registration statement relates, without liability to Holder on account thereof.

8. If, at any time while this Warrant is outstanding, (A) the Company effects any merger or consolidation of the Company with or into another person, (B) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (C) any tender offer or exchange offer (whether by the Company or another person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (D) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (in any such case, a "Fundamental Transaction"), then, upon any subsequent exercise of this Warrant, the holder shall have the right to receive, for each Warrant share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder, (a) upon exercise of this Warrant, the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable upon or as a result of such reorganization, reclassification, merger, consolidation or disposition of assets by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event or (b) if the Company is acquired in an all cash transaction, cash equal to the value of this Warrant as determined in accordance with the Black-Scholes option pricing formula.

For purposes of any such exercise, the determination of the exercise price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the exercise price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to the Company or surviving entity in such Fundamental Transaction shall issue to the Holder a new warrant consistent with the foregoing provisions and evidencing the holder's right to exercise such warrant into Alternate Consideration. The terms of any agreement pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 3(e) and insuring that this Warrant (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction.

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer.

DATED: _____, 2011

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.,
a Nevada Corporation

By: _____
J. John Combs III,
Chairman & CEO

EXHIBIT "A"

SUBSCRIPTION FORM

(To be Executed by the Registered Holder to Exercise the Rights to Purchase Common Stock Evidenced by the Within Warrant)

I, the undersigned, hereby irrevocably subscribe for _____ shares (the "Stock") of the Common Stock of **Strategic Environmental & Energy Resources, Inc**., (the "Company"") pursuant to and in accordance with the terms and conditions of the attached Warrant and hereby make payment of $ _____ therefor, and request that a certificate for such securities be issued in the name of the undersigned and be delivered to the undersigned at the address stated below. If such number of securities is not all of the securities purchasable pursuant to the attached Warrant, the undersigned requests that a new Warrant of like tenor far the balance of the remaining securities purchasable thereunder be delivered to the undersigned at the address stated below. In connection with the issuance of the securities, I hereby represent to the Company that I am acquiring the securities for my own account for investment and not with a view to, or for resale in connection with, a distribution of the securities within the meaning of the Securities Act of 1933, as amended (the "Act"). I also understand that the Company has not registered the Stock under the Act in reliance upon the private offering exemptions contained in Section 4(2) of the Act and that such reliance is based in part upon my representations.

Date: _____

Signed: _____

Address: _____

_____

_____

THE SIGNATURE(S) TO THIS SUBSCRIPTION FORM MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE WARRANT IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER, AND SUCH SIGNATURE(S) MUST BE GUARANTEED IN ACCORDANCE WITH PRACTICES PREVAILING IN THE SECURITIES INDUSTRY AT THE TIME SUCH SIGNATURE IS PRESENTED TO THE COMPANY.

Exhibit 4.3

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). SUCH SECURITIES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER SAID ACT.

WARRANT TO PURCHASE

125,000 SHARES

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

(Incorporated under the laws of the State of Nevada)

WARRANT CERTIFICATE FOR THE PURCHASE OF SHARES OF
THE $.001 PAR VALUE COMMON STOCK OF
STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

EXERCISABLE ONLY AFTER _____ **2012**
AND VOID AFTER _____ **2017** (5 years)

1. Strategic Environmental & Energy Resources, Inc., Inc. (the "Company"), hereby certifies that, for value received, _____ (referred to herein as the "Holder"), is entitled to purchase, subject to the terms and conditions hereinafter set forth, at anytime from and after _____**, 2012,** and on or before _____**, 2017** (the "Warrant Period"), up to **125,000** shares of the $.001 par value common stock ("Common Stock") of the Company. This Warrant may be exercised in whole or in part. Such exercise shall be accomplished by tender to the Company of the purchase price of **$.50 per share** (the "Warrant Price"), either in cash (wired funds) or by certified check or bank cashier's check, payable to the order of the Company, together with presentation and surrender to the Company of this Warrant with an executed subscription in substantially the form attached hereto as Exhibit "A." Fractional shares of the Company's Common Stock will not be issued upon the exercise of this Warrant. Upon twenty (20) days' prior written notice to all holders of the Warrants, the Company shall have the right to reduce the exercise price and/or extend the term of the Warrants.

2. The Company agrees at all times to reserve and hold available out of the aggregate of its authorized but unissued Common Stock the number of shares of its Common Stock issuable upon the exercise of this and all other Warrants of like tenor then outstanding. The Company further covenants and agrees that all shares of Common Stock that may be delivered upon the exercise of this Warrant will, upon delivery, be fully paid and nonassessable and free from all taxes, liens and charges with respect to the purchase thereof hereunder.

3. This Warrant does not entitle the Holder to any voting rights or other rights as a shareholder of the Company, nor to any other rights whatsoever except the rights herein set forth, and no dividend shall be payable or accrue by reason of this Warrant or the interest represented hereby, or the shares purchasable hereunder, until or unless, and except to the extent that, this Warrant is exercised.

4. The Warrant Price and the number of shares purchasable upon the exercise of this Warrant are subject to adjustment from time to time upon the occurrence of any of the events specified in this Section 4.

(a) In case the Company shall (i) pay a dividend in shares of Common Stock or make a distribution in shares of Common Stock, (ii) subdivide its outstanding shares of Common Stock into a greater number of shares, (iii) combine its outstanding shares of Common Stock into a smaller number of shares of Common Stock, or (iv) issue by reclassification of its shares of Common Stock other securities of the Company, the number of shares of Common Stock purchasable upon exercise of this Warrant immediately prior thereto shall be adjusted so that the Holder of this Warrant shall be entitled to receive the kind and number of shares of Common Stock or other securities of the Company that he would have owned or have been entitled to receive after the happening of any of the events described above, had such Warrant been exercised immediately prior to the happening of such event or any record date with respect thereto. Whenever the number of shares of Common Stock purchasable upon the exercise of this Warrant is adjusted pursuant to this paragraph (a), the Warrant Price shall be adjusted by multiplying such Warrant Price immediately prior to such adjustment by a fraction, of which the numerator shall be the number of shares of Common Stock purchasable upon the exercise of this Warrant immediately prior to such adjustment, and of which the denominator shall be the number of shares of Common Stock so purchasable immediately thereafter. An adjustment made pursuant to this paragraph (a) shall become effective immediately after the effective date of such event retroactive to the record date, if any, for such event.

(b) For the purpose of this Section 4, the term shares of Common Stock shall mean (i) the class of stock designated as the Common Stock of the Company at the date of this Warrant, or (ii) any other class of stock resulting from successive changes or value to no par value, or from no par value to par value.

(c) If during the Warrant Period the Company consolidates with or merges into another corporation or transfers all or substantially all of its assets the Holder shall thereafter be entitled upon exercise hereof to purchase, with respect to each share of Common Stock purchasable hereunder immediately prior to the date upon which such consolidation or merger becomes effective, the securities or property to which a holder of shares of Common Stock is entitled upon such consolidation or merger, without any change in, or payment in addition to the Warrant Price in effect immediately prior to such merger or consolidation, and the Company shall take such steps in connection with such consolidation or merger as may be necessary to ensure that all of the provisions of this Warrant shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or property thereafter deliverable upon the exercise of this Warrant.

(d) Irrespective of any adjustments pursuant to this Section 4 to the Warrant Price or to the number of shares or other securities or other property obtainable upon exercise of this Warrant, this Warrant may continue to state the Warrant Price and the number of shares obtainable upon exercise, as the same price and number of shares stated herein.

(e) Payment of the Exercise Price may be made by Cash Exercise: cash (wired Funds), bank or cashier's check or wire transfer, at the election of Holder.

(f) "Exempt Issuance" means the issuance of (a) shares of Common Stock or options to employees, officers, directors or consultants of the Company pursuant to any stock or option plan duly adopted by a majority of the members of the Board of Directors of the Company (which shall include the approval of all independent directors, if any) or a committee of non-directors (which shall include the approval of all independent directors, if any) established for such purpose, (b) securities upon the exercise or exchange of or conversion of any securities issued hereunder and/or other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that such securities have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise, exchange or conversion price of any s0uch securities, provided all holders of the Secured Notes receive the same conversion terms, (c) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors, provided any such issuance shall only be to a Person which is, itself or through its subsidiaries, an operating company in a business synergistic with the business of the Company and in which the Company receives benefits in addition to the investment of funds, but shall not include a transaction in which the Company is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities or (d) in connection with the Company's raising $3 to $4 million in capital form an institutional investor in the six months following the date of this Warrant.

5. The Holder hereby agrees that the resale of the shares of Common Stock issuable upon exercise hereof may be subject to a "lock-up" pursuant to any restrictions reasonably required by any underwriter, if applicable, and to the extent the Company undertakes a secondary offering.

6. The Company may cause the following legend or one similar thereto to be set forth on each certificate representing Warrant Stock or any other security issued or issuable upon exercise of this Warrant unless counsel for the Company is of the opinion as to any such certificate that such legend is unnecessary:

The shares represented by this Certificate have not been registered under the Securities Act of 1933 (the "Act") and are "restricted securities" as that term is defined in Rule 144 under the Act. The shares may not be offered for sale, sold, or otherwise transferred except pursuant to an effective registration statement under the Act or pursuant to an exemption from registration under the Act, the availability of which is to be established to the satisfaction of the Company.

7. In the event that the Company proposes to file a registration statement under the Act which relates to a current offering of Securities of the Company (except in connection with an offering on Form S-8 or S-4 or any other inappropriate form), such registration statement (and the prospectus included therein) shall also, at the written request to the Company by the Holder, relate to and meet the requirements of the Act with respect to any public offering of the Warrant Stock shares so as to permit the public sale of all or some portion of the Warrant Stock. The Company shall give written notice to the Holder of its intention to file a registration statement under the Act relating to a current offering of securities of the Company not less than fifteen (15) days prior to the filing of such registration statement. Any written request of the holder to include the Warrant Stock shares held by the Holder shall be given to the Company not less than five (5) days prior to the date specified in the notice as the date on which such registration statement is intended to be filed with the Securities and Exchange Commission. Neither the delivery of such notice by the Company nor of such request by the Holder shall obligate the Company to file such registration statement and notwithstanding the filing of such registration statement, the Company may, at any time prior to the effective date thereof, determine to withdraw such registration statement and not offer the securities intended to be offered by the Company to which the registration statement relates, without liability to Holder on account thereof.

8. If, at any time while this Warrant is outstanding, (A) the Company effects any merger or consolidation of the Company with or into another person, (B) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (C) any tender offer or exchange offer (whether by the Company or another person) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (D) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (in any such case, a "Fundamental Transaction"), then, upon any subsequent exercise of this Warrant, the holder shall have the right to receive, for each Warrant share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder, (a) upon exercise of this Warrant, the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable upon or as a result of such reorganization, reclassification, merger, consolidation or disposition of assets by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event or (b) if the Company is acquired in an all cash transaction, cash equal to the value of this Warrant as determined in accordance with the Black-Scholes option pricing formula. For purposes of any such exercise, the determination of the exercise price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the exercise price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration.

If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to the Company or surviving entity in such Fundamental Transaction shall issue to the Holder a new warrant consistent with the foregoing provisions and evidencing the holder's right to exercise such warrant into Alternate Consideration. The terms of any agreement pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 3(e) and insuring that this Warrant (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction.

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer.

DATED: _____, 2012

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.,
a Nevada Corporation

By: _____
J. John Combs III,
Chairman & CEO

EXHIBIT "A"

SUBSCRIPTION FORM

(To be Executed by the Registered Holder to Exercise the Rights to Purchase Common Stock Evidenced by the Within Warrant)

I, the undersigned, hereby irrevocably subscribe for _____ shares (the "Stock") of the Common Stock of **Strategic Environmental & Energy Resources, Inc**., (the "Company"') pursuant to and in accordance with the terms and conditions of the attached Warrant and hereby make payment of $ _____ therefor, and request that a certificate for such securities be issued in the name of the undersigned and be delivered to the undersigned at the address stated below. If such number of securities is not all of the securities purchasable pursuant to the attached Warrant, the undersigned requests that a new Warrant of like tenor far the balance of the remaining securities purchasable thereunder be delivered to the undersigned at the address stated below. In connection with the issuance of the securities, I hereby represent to the Company that I am acquiring the securities for my own account for investment and not with a view to, or for resale in connection with, a distribution of the securities within the meaning of the Securities Act of 1933, as amended (the "Act'). I also understand that the Company has not registered the Stock under the Act in reliance upon the private offering exemptions contained in Section 4(2) of the Act and that such reliance is based in part upon my representations.

Date: _____

Signed: _____

Address: _____

_____

_____

THE SIGNATURE(S) TO THIS SUBSCRIPTION FORM MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE WARRANT IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER, AND SUCH SIGNATURE(S) MUST BE GUARANTEED IN ACCORDANCE WITH PRACTICES PREVAILING IN THE SECURITIES INDUSTRY AT THE TIME SUCH SIGNATURE IS PRESENTED TO THE COMPANY.

Exhibit 10.1

EQUITY PURCHASE AGREEMENT

For the Purchase of the Membership Units of

MV, LLC

by and among

Mtarri, Inc. and Frederic T. Varani,

as Sellers

and

Strategic Environmental & Energy Resources, Inc.,

as Buyer

as of June 13, 2008

EQUITY PURCHASE AGREEMENT

This Equity Purchase Agreement (this "Agreement") is made as of June 13, 2008, by and among Strategic Environmental & Energy Resources, Inc., a corporation organized and existing under the laws of the State of Nevada ("Buyer"), and Mtarri, Inc. ("Trost"), and Frederick T. Varani ("Varani"), individuals residing in the State of Colorado (collectively sometimes " Sellers"). Buyer and Sellers are sometimes referred to herein individually, as a "Party" and collectively, as the "Parties."

WHEREAS, Trost is the record and beneficial owner of six hundred thousand (600,000) membership units ("MV Units") of MV, LLC, a limited liability company organized and existing under the laws of the State of Colorado ("MV" or the "Company"); and Varani is the record and beneficial owner of six hundred thousand (600,000) MV Units; and such MV Units collectively constitute one hundred percent (100%) of the MV Units;

WHEREAS, MV owns certain cash, equipment, tools, fixtures, office furnishings, accounts receivable, work in progress for which invoices have yet to be sent to customers, leasehold rights to real property, and other assets (including the "Facilities" located at 1511 Washington Ave., Golden, CO 80401 which it utilizes in the ownership, operation and maintenance, and any and all other activities related or incidental to the foregoing, of an engineering and consulting services business in the United States, based in Colorado (collectively, the "Business"); and

WHEREAS, Sellers desire to sell, and Buyer desires to purchase, for the consideration and on the terms set forth in this Agreement, one hundred percent (100%) of the MV Units (the "Purchased Units").

NOW THEREFORE, for and in consideration of the premises, the mutual promises, covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Parties, intending to be legally bound, hereby agrees as follows:

1. SALE AND PURCHASE OF PURCHASED UNITS; CLOSING

1.1 PURCHASE OF PURCHASED UNITS

Subject to the terms and conditions of this Agreement, on the Closing Date Sellers will, in accordance with the allocations set forth on Schedule 2.1, sell, transfer and deliver the Purchased Units to Buyer, and Buyer will purchase and assume full ownership and control of the Purchased Units from Sellers, free and clear of any and all Encumbrances.

1.2 CONSIDERATION SHARES

Subject to the terms and conditions of this Agreement, in consideration of the sale, transfer and delivery to Buyer of the Purchased Units, Buyer will on the Closing Date transfer, assign and deliver to Sellers, in accordance with the allocations set forth on Schedule 2.1, one million two hundred thousand (1,200,000) shares (the "Consideration Shares") of common stock in Buyer. For purposes of this Agreement, the Parties agree that the value of the Purchased Units is at least equivalent to the value of the Consideration Shares. Upon the consummation of the Contemplated Transactions, Buyer will own one hundred percent (100%) of the MV Units.

1.3 CLOSING

(a) Subject to the satisfaction and/or waiver of all conditions to Closing set forth in Article 6 hereof (other than those conditions which can be satisfied only by the delivery of documents at Closing), the purchase and sale of the Purchased Units provided for in this Agreement will be consummated at a closing (the "Closing") to be held at the offices of MV at or around 9:00 a.m. (Mountain Daylight Time) on June 17, 2008, or at such other time and place as the Parties may agree in writing.

(b) Any representations or warranties made by either party are made to the best of that party's knowledge that are known, or could or should have been known based upon reasonable efforts or due diligence.

1.4 CLOSING OBLIGATIONS

At the Closing:

(a) Sellers will deliver to Buyer:

(i) certificates representing the Purchased Units, duly endorsed (or accompanied by duly executed powers) with such other formalities as may be required under applicable Legal Requirements and otherwise in form reasonably acceptable to Buyer for valid transfer of full title of the Purchased Units to Buyer and for Buyer to assume full ownership and control of the Purchased Units;

(ii) Tax returns and/or certificates from Governmental Bodies indicating that all Taxes due, as a result of the execution of this Agreement and the transfer of the Purchased Units from Sellers to Buyer and the consummation of the Contemplated Transactions have been paid by Sellers as of the Closing Date. For the avoidance of doubt, all Taxes due as a result of execution of this Agreement and the transfer of the Purchased Units from Sellers to Buyer shall be for the account of Sellers;

(iii) copies of any Consents (or waivers in lieu thereof) required of Sellers and the Company in order to consummate the Contemplated Transactions, as provided in Section 3.22 hereof or otherwise;

(iv) the Unaudited Financial Statements as described in Section 3.19 hereof; and

(v) such other documents, instruments and certificates as may be required pursuant to Section 6.1 or the Buyer may reasonably request.

(b) Buyer will deliver to Sellers, for delivery of the Purchased Units and other items referred to in Section 2.4 above:

(i) the Consideration Shares, duly endorsed (or accompanied by duly executed powers) with such other formalities as may be required under applicable Legal Requirements and otherwise in form reasonably acceptable to Sellers for valid transfer of full title of the Consideration Shares to Sellers and for Sellers to assume full ownership and control of the Consideration Shares;

(ii) such other documents, instruments and certificates as may be required pursuant to Section 6.2 or Sellers may reasonably request.

2. REPRESENTATIONS AND WARRANTIES OF SELLERS

Except for the disclosures set forth in the Disclosure Letter prepared and signed by Sellers and delivered to Buyer simultaneously with the execution and delivery hereof, Sellers jointly and severally represent and warrant to Buyer that all of the statements contained in this Article 3 are true and correct as of the date of this Agreement (or, if made as of a specific date, as of such date). In the event of any inconsistency between statements in the body of this Agreement and statements in the Disclosure Letter (excluding the exceptions set forth in the Disclosure Letter), the statements in the body of this Agreement shall prevail.

Sellers hereby jointly and severally represent and warrant to Buyer, as of the date hereof and as of the Closing Date, as follows:

2.1 ORGANIZATION AND GOOD STANDING

(a) The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Colorado, with corporate power and authority to conduct its business as it is now being conducted, and to own or use the properties and assets that it purports to own or use.

(b) Sellers have delivered to Buyer true and correct copies of the Organizational Documents of the Company, as amended and in effect as of the date of this Agreement.

2.2 AUTHORITY; NO CONFLICT

(a) Sellers have the corporate power and authority to consummate the Contemplated Transactions. The Contemplated Transactions have been duly authorized by each Seller and by the Managing Member(s) of the Company and no other corporate action on the part of Sellers or the Company is necessary to consummate the Contemplated Transactions.

(b) This Agreement has been duly and validly executed and delivered by Sellers and, assuming the due and valid authorization, execution and delivery thereof by Buyer, is a valid and binding obligation of Sellers, enforceable against Sellers in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, and similar laws of general applicability relating to or affecting creditors' rights, general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law) and is entered into in good faith.

(c) The Contemplated Transactions are legal, valid and binding transactions that, to the Knowledge of Sellers, are not and will not become subject to any claims of any creditors of any Seller or of the Company for any reason.

(d) The execution, delivery and performance of this Agreement and the consummation of the Contemplated Transactions will not:

(i) conflict with or result in a breach of any provision of the Organizational Documents of the Company or Sellers;

(ii) conflict with or result in a breach of, or give any Governmental Body or other Person the right to exercise any remedy or obtain any relief under, any Legal Requirement or any Order or material agreement to which Sellers or the Company may be subject;

(iii) require any Consent obtained from, approval of, authorization of, or qualification with any shareholder, sponsor or creditor of Sellers or the Company, or any other Person or Governmental Body, by Sellers or the Company which has not been obtained as of the date of this Agreement, except for the Consents referred to in Section 3.22 of the Disclosure Letter;

(iv) conflict with or result in a violation or breach of any provision of, or give any Person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or to cancel, terminate or modify (A) any mortgage, indenture, loan or credit agreement or any other agreement or instrument evidencing indebtedness for money borrowed, or any financing lease; (B) any agreement concerning the transferability of the Purchased Units or the ownership or control of the Company; in each of (A) and (B) above to which any Seller or the Company is a party or by which any Seller or the Company is bound or to which any Seller's or the Company's properties are subject; excluding from the foregoing clauses (ii), (iii) and (iv) such failures, violations, breaches or defaults which would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

2.3 CAPITALIZATION

(a) Sellers are the record and beneficial owners of one million, two hundred thousand (1,200,000) MV Units, which constitute all issued and outstanding equity interests in MV, free and clear of all Encumbrances, except for Permitted Encumbrances. Except as set forth in Section 3.3(a) of the Disclosure Letter, no legend or other reference to any purported Encumbrance appears upon any certificate representing the MV Units or was registered with MV. None of the MV Units were issued in violation of any Legal Requirement or in violation of the preemptive rights of any Person, and the MV Units were duly authorized and validly issued and are fully paid and non-assessable.

(b) There are no contracts or other arrangements obligating Sellers to issue, sell, pledge, dispose of or encumber, nor any options, warrants or rights of any kind to acquire, nor any securities that are convertible into, or exercisable or exchangeable for, any Purchased Units (other than this Agreement); and (ii) there are no contracts or other arrangements obligating the Company to (A) issue, sell or otherwise cause to become outstanding any such option, warrant, right or security, except obligations to Buyer under this Agreement or (B) redeem, purchase or acquire or offer to acquire any Purchased Units. Other than this Agreement, there are no agreements or understandings concerning the ownership, voting, or disposition of any of the Purchased Units.

2.4 LEGAL PROCEEDINGS; ORDERS

There is no pending Proceeding, and to the Knowledge of Sellers, any Threatened Proceeding that could reasonably be expected to have a Material Adverse Effect and neither Sellers nor the Company is subject to any Order that relates to the Purchased Units, the Facilities, the Business or the Contemplated Transactions.

2.5 BROKERS OR FINDERS

Sellers have not entered into any agreement or arrangement entitling any agent, broker, investment banker, financial advisor or other firm or Person to any broker's or finder's fee or any other commission or similar fee in connection with the Contemplated Transactions.

2.6 COMPLIANCE WITH LAWS

Except as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect:

(a) the Company is, and at all times has been, in full compliance with all Legal Requirements and all Orders of any Governmental Body applicable to it and its assets; and

Notwithstanding the foregoing, this Section 3.7 does not address Environmental Laws, which are addressed exclusively in Section 3.15.

2.7 PERMITS

Except as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect:

(a) the Company holds or has received all permits, registrations, notifications, franchises, licenses, certificates, and other authorizations, consents and approvals of all Governmental Bodies required of it in order for such Company to own, operate and maintain the Facilities and to operate the Business (collectively, "Permits");

(b) the Company is, and at all times has been, in full compliance with all such Permits; and

(c) All statements, assertions and calculations in any application for a Permit were and remain true and accurate in all material respects.

2.8 LITIGATION

(a) Except as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect, there is no claim, action, Proceeding or investigation or inquiry pending or, to Sellers' Knowledge, Threatened, against or relating to Sellers or the Company before any arbitrator or Governmental Body, and no Order of any court, arbitrator or Governmental Body, which, individually or in the aggregate, may result or has resulted in:

(i) the institution of legal proceedings to prohibit, delay or restrain, or otherwise interfere with, the Contemplated Transactions;

(ii) a claim against Buyer or its Affiliates for damages as a result of the consummation of the Contemplated Transactions;

(iii) a material impairment of Sellers' ability to perform the Contemplated Transactions; or

(iv) a Material Adverse Effect.

(b) To Sellers' Knowledge, no event has occurred or circumstance exists that may give rise to or serve as a basis for the commencement of any such claim, action, Proceeding, investigation or inquiry.

(c) Except as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect:

(i) no Order of any arbitrator or Governmental Body has been issued to the Company or is applicable to the Business, Facilities or any other assets owned or used by the Company; and

(ii) Sellers are not subject to any Order of any arbitrator or Governmental Body that relates to the business of, or any assets owned or used by, the Company.

2.9 EXISTING CONTRACTS

Section 3.10 of the Disclosure Letter lists a true and complete list of all contracts, agreements, Loan Documents, obligation, promise or undertaking (whether written or oral and whether express or implied), arrangements, leases, real property covenants, restrictions, reservations and title restrictions, and easements of any nature, other than the Permits, to which (a) the Company is a party or by or to which the Company, the Facilities, or any other assets owned or used by the Company, is or are bound, affected by or subject to or (b) Sellers or the Company or any Affiliate of any of them is a party and by which the Company or the Facilities or any related assets are bound, affected or to which they are subject (including any outstanding parent company and/or shareholder loans or advances) (collectively, "Existing Contracts").

(a) Except as would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect, there is not under any of the Existing Contracts, any default (and there has not occurred any event that has given or may give rise to any right of termination, cancellation, acceleration or loss of benefit) by the Company or by Sellers or by any Affiliate of any of them, nor any event which, with notice or lapse of time or both, would constitute an event of default by the Company or by Sellers or by any Affiliate of any of them, except for such events of default and other events as to which requisite waivers from the relevant counterparties to the Existing Contracts have been, or prior to Closing will have been, obtained.

(b) No claim, action, Proceeding or investigation is pending or, to Sellers' Knowledge, Threatened against the Company or Sellers challenging the enforceability of any of the Existing Contracts.

(c) Sellers have delivered or made available to Buyer true and complete copies of all Existing Contracts, including all amendments thereto. There are no oral amendments to any of the Existing Contracts, except where the existence of such oral amendment would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

(d) There are no outstanding claims of customers of the Company arising under any Existing Contract prior to the Closing Date.

2.10 PERSONAL PROPERTY

(a) The Company has good and valid title to each item of personal property with a value greater than ten thousand Dollars ($10,000) which it purports to own (the "Owned Personal Property"), free and clear of all Encumbrances other than Permitted Encumbrances.

(b) Section 3.11(b) of the Disclosure Letter lists each item of personal property leased or otherwise used by, but not owned by, the Company ("Leased Personal Property"). All leases with respect to the Leased Personal Property are listed in Section 3.10 of the Disclosure Letter (as Existing Contracts).

(c) The Owned Personal Property, along with the Leased Personal Property, constitute all the personal property currently used by the Company to conduct the Business, and are adequate and serviceable for such purposes, subject to normal wear and tear.

2.11 REAL PROPERTY

(a) Section 3.12(a) of the Disclosure Letter lists all real property interests owned by the Company (the "Owned Real Property"). The Owned Real Property is owned of record free and clear of all Encumbrances other than Permitted Encumbrances. Neither Sellers nor the Company has received notice of the institution or proposed institution of any condemnation proceedings in respect of any of the Owned Real Property. None of the Owned Real Property is leased to any Person.

(b) Section 3.12(b) of the Disclosure Letter lists all real property interests leased or otherwise used by, but not owned by, the Company ("Leased Real Property"). All leases with respect to the Leased Real Property are listed in Section 3.10 of the Disclosure Letter (as Existing Contracts).

(c) No Person other than the Company occupies, or has any claim to occupy, any part of the Owned Real Property or any building occupying the Leased Real Property.

(d) The Owned Real Property, along with the Leased Real Property, constitute all the real property currently used by the Company to conduct the Business, and are adequate and serviceable for such purposes, subject to normal wear and tear.

2.12 INTELLECTUAL PROPERTY

The Company owns, or is irrevocably licensed or otherwise possesses sufficient legally enforceable rights to use, all patents, patents pending, copyrights, trademarks, service marks, technology, know-how, computer software programs and applications, databases and any other tangible or intangible proprietary information or materials that are currently used to conduct the Business.

2.13 ENVIRONMENTAL COMPLIANCE

(a) Except as set forth in Section 3.15(a) of the Disclosure Letter:

(i) No Hazardous Substances are present and there has not been a Release of Hazardous Substances, on, at, beneath, migrating from, or otherwise affecting the Facilities that: (A) constitutes an unremedied noncompliance with or violation of any Environmental Law if the effect of such violation imposes a Remediation obligation or fine, penalty or other economic liability or imposes any other required activity with respect to such Release of Hazardous Substances on the part of Sellers and/or the Company; (B) currently imposes any Release-reporting obligations on Sellers and/or the Company under any Environmental Law that have not been or are not being complied with; (C) currently imposes any clean-up or Remediation obligations on Sellers and/or the Company under any Environmental Law, or (D) if not Remediated may reasonably be expected to result in any such imposition of obligation or liability described in items (A), (B), or (C);

(ii) Sellers, the Company, and the Facilities have been and are currently in compliance with all Environmental Laws that apply to the Facilities or otherwise affect the Facilities or the Company;

(iii) Each of Sellers, the Company and the Facilities (A) has had, and currently has, all Permits required under applicable Environmental Laws for the operation of the Facilities, (B) is in compliance with all such Permits and (C) has not received any written notice, or to Sellers' Knowledge, any verbal notice, that: (1) any such existing Permit will be revoked, modified, or terminated; or (2) any pending application for any new such Permit or renewal of any such existing Permit will be denied, delayed, or be subject to additional conditions; and

(iv) Neither Sellers nor the Company have entered into, and the Facilities are not subject to, any action, Order, suit, investigation, inquiry, Proceeding or agreement of any Governmental Body relating to liability or potential liability under any Environmental Laws, other than matters that have been resolved in a final and binding Proceeding and for which neither the Company, nor the Facilities, has any further liability, cost, or expense exposure;

(v) There are no material environmental capital expenditures currently required or anticipated under any applicable Environmental Laws in order to maintain or achieve compliance by Sellers and the Company with all applicable Environmental Laws and Permits with respect to the Facilities;

(vi) There are no liens imposed or in the process of being imposed on the Facilities arising under or pursuant to any Environmental Law and no notices or deed restrictions relating to the presence of Hazardous Substances on such properties are required to be filed or prepared pursuant to any Environmental Law; and

(b) Except as set forth in Section 3.15(b) of the Disclosure Letter, there are no pending or, to the Knowledge of Sellers, Threatened Proceedings, actions, investigations, inquiries, requests for information, or other claims, liabilities or potential liabilities arising under any Environmental Laws regarding the Facilities or the Release or threatened Release of any Hazardous Substances thereon, therefrom, or adjacent thereto.

2.14 TAX MATTERS

Except for the matters that would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect:

(a) for all periods ending prior to or on the Closing Date, all Tax returns required to be filed by or with respect to MV have been or will be timely filed with the appropriate taxing authorities in all jurisdictions in which such Tax returns are required to be filed, regardless of when such Tax returns are required to be filed. Sellers shall reserve rights to obtain necessary information from and have access to all books and records for periods prior to the Closing Date in order to facilitate the preparation of Tax returns, administer audit proceedings and prepare amended Tax returns or refund claims to comply with all Legal Requirements, filing requirements and audit and other Tax-related proceedings for periods prior to or on the Closing Date;

(b) for all periods ending prior to or on the Closing Date, such Tax returns are or will be true and correct in all material respects, and all Taxes legally due on or prior to the Closing Date have been or will be timely paid;

(c) the Company has extended or waived the application of any statute of limitations of any jurisdiction regarding the assessment or collection of any Tax;

(d) no material notice of deficiency or assessment has been received from any taxing authority with respect to liabilities for Taxes of the Company, which have not been fully paid or finally settled; provided, that any such deficiency shown in Section 3.16(d) of the Disclosure Letter is being contested in good faith through appropriate Proceedings;

(e) there are no audits, disputes, claims, assessments, deficiency notices, levies, administrative proceedings, or lawsuits pending, or to the Knowledge of Sellers, Threatened against or with respect to the Company by any taxing authority;

(f) the Company has any liability for the Taxes of any other Person as a transferee or successor, by contract or otherwise;

(g) No Governmental Body in a jurisdiction where the Company does not file Tax returns has made a claim, assertion, or threat that the Company (or Sellers by virtue of the Company's operations or ownership of Facilities, as applicable) (i) is or may be subject to taxation by such jurisdiction or (ii) is or may be required to file Tax returns in such jurisdiction;

(h) The Company has made available to Buyer correct and complete copies of all national, state, and local Tax returns filed with respect to such Company for all Tax years of such Company;

(i) the Company conducts any Business in or derives income from any national, state, local or foreign jurisdiction other than those jurisdictions for which Tax returns have been duly filed by the Company, as applicable;

(j) for all periods prior to Closing, the Company has withheld and paid over to the appropriate taxing authority all material Taxes required to be paid or withheld and paid over in connection with amounts paid or owing to any employee, agents or representatives or independent contractor.

2.15 EMPLOYEES; EMPLOYEE LIABILITIES

(a) The employees listed in Section 3.17 of the Disclosure Letter are the only employees of the Company on the Closing Date.

(b) There are no employment contracts, severance agreements, retention agreements or incentive plans, oral or written, with any employees of the Company and no oral or written personnel policies, rules, practices or procedures applicable to any employees of the Company, including, but not limited to, with respect to the vacation and sick leave policies of the Company, other than those listed in Section 3.17(b) of the Disclosure Letter, true and correct copies of which have heretofore been made available to the Buyer. With respect to the employees whose employment contracts are set forth in Section 3.17(b) of the Disclosure Schedule, no Seller has any Knowledge of any such employee's intent not to continue his employment with the applicable Company after the Closing Date.

(c) Except for the liabilities which are accrued or reserved against in the Unaudited Financial Statements or disclosed in the notes thereto, the Company does not have any liability or obligation with respect to any employee benefit plan or any employees of the Company's Affiliates or any other individuals that have performed work at or in connection with the Facilities.

2.16 FINANCIAL STATEMENTS

Sellers have made available to Buyer the unaudited balance sheet and income statement of the Company as of each of the period ending June 13, 2008, and the fiscal years ended December 31, 2007 and December 31, 2006 (collectively, the "Unaudited Financial Statements"). The Unaudited Financial Statements (i) are complete and correct in all material respects, (ii) fairly present the financial position and results of operations of the Company as of the date thereof and for the periods covered thereby and (iii) are consistent with the books and records of the Company.

2.17 UNDISCLOSED LIABILITIES

The Company does not have any liability or obligation, whether fixed or contingent, secured or unsecured, which is not accrued or reserved against in the Unaudited Financial Statements or disclosed in the notes thereto, except those which (a) were incurred in the ordinary course of business after the date of the Unaudited Financial Statements and (b) may not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect. All Accounts Payable of the Company that were reflected in the Unaudited Financial Statements or that are reflected in the accounting records of the Company as of the Closing Date are a result of bona fide transactions arising in the ordinary course of business and have been paid or are not yet due and payable.

2.18 CONSENTS AND APPROVALS

No Consent is required for or in connection with the consummation of the Contemplated Transactions, except for those Consents listed in Section 3.22 of the Disclosure Letter.

2.19 LABOR MATTERS

Except as would otherwise be reasonably expected to have a Material Adverse Effect:

(a) Sellers and the Company are in compliance with all Legal Requirements respecting employment and employment practices, occupational health and safety, payroll taxes, accrued benefits, terms and conditions of employment and wages and hours, and there are no claims pending or Threatened in relation to any such matters;

(b) On the Closing Date and thereafter, neither the Sellers nor the Company will have any obligations or liability, whether funded or not funded, related to any employee benefit plan with respect to any employees assigned to the Facilities at any time prior to the Closing Date; and

(c) Neither Sellers nor the Company has made any commitments or representations to any Person regarding (i) employment at the Facilities after the Closing Date, (ii) any benefits to be provided after the sale of the Facilities, or (iii) any other terms and conditions of employment following the Closing Date.

2.20 INSURANCE

The Facilities and the tangible assets of the Company are covered by the Insurance Policies and with the coverages, limits and deductibles as set forth on Section 3.24 of the Disclosure Letter. Such coverages, limits and deductibles have been and continue to be in full force and effect for all periods from and after the date of construction of the Facilities and are sufficient to comply with insurance requirements of the Existing Contracts and all applicable Legal Requirements. All premiums due with respect to each policy described in Section 3.24 of the Disclosure Letter have been fully paid or accrued.

2.21 ACCOUNTS RECEIVABLE

All of the Accounts Receivable of the Company that were reflected in the Unaudited Financial Statements or that are reflected in the accounting records of the Company as of the Closing Date represented or will represent valid obligations by third parties owed to such Company, arising from services actually performed in the ordinary course of business to or for (as applicable) Persons other than the Company or any of their respective Affiliates. Except as disclosed in the case of ADI, all such Accounts Receivable are collectible, and no Company has received any notice of any contest, claim or request of setoff from any obligor of any such Accounts Receivable relating to the amount or validity of such Accounts Receivable.

2.22 DEFECTIVE WORK

There are no pending claims for defective work, equipment, materials or services made or performed by the Company against any Person, or against the Company by any Person.

2.23 ACCURACY OF INFORMATION

To the Knowledge of Sellers, Sellers have used their best efforts to furnish or provide access to information to Buyer in response to written requests for information in connection with due diligence from Buyer to Sellers and have not intentionally misled Buyer with respect to such information or intentionally failed to disclose material and adverse information for the purpose of misleading Buyer which Buyer has reasonably requested, and, to the Knowledge of Sellers, no member of Sellers or any Affiliate of any of Sellers, has through the date hereof deliberately avoided acquiring any material and adverse information with respect to Sellers, the Facilities, the Business or the Company.

2.24 AFFILIATED TRANSACTIONS

Except as set forth in Section 3.32 of the Disclosure Letter, and except for payments under an individual's compensation arrangement as an employee with the Company, none of Sellers, officers, directors, associates or agents or other Affiliates of the Company or members of their families is a party to any agreement (including any lease (for real property or otherwise), contract for employment or contract for the furnishing of services), understanding, indebtedness or proposed transaction with the Company or is directly or indirectly interested in any Existing Contract with the Company. The Company has not guaranteed or assumed any obligations of their respective officers, directors or other Affiliates or members of any of their families.

2.25 ACCOUNTS; LOCK BOXES; SAFE DEPOSIT BOXES

(a) Section 3.33 of the Disclosure Letter contains a true and complete list of:

(i) the names of each bank, savings and loan association, securities or commodities broker or other financial institution in which the Company has an account, including cash contribution accounts, and the names of all Persons authorized to draw thereon or have access thereto; and

(ii) the location of all lockboxes and safe deposit boxes of the Company, if any; and

(iii) the names of all Persons, if any, holding powers of attorney from the Company and a summary statement of the terms thereof.

(b) Sellers have not commingled monies or accounts of the Company with other monies or accounts of Sellers or relating to their other businesses nor have Sellers transferred monies or accounts of the Company other than to an account of the Company. All monies and accounts of the Company are held by, and be accessible only to, such Company.

2.26 CERTAIN PAYMENTS

Neither the Company nor any director, officer, agent, or employee of the Company, or any other Person associated with or acting for or on behalf of the Company, has directly or indirectly: (a) made any contribution, gift, bribe, payoff, rebate, influence payment, kickback, or other payment to any Person, private or public, regardless of form, whether in money, property, or services (i) to obtain favorable treatment in securing business, (ii) to pay for favorable treatment for business secured, (iii) to obtain special concessions or for special concessions already obtained, for or in respect of the Company, or (iv) in violation of any applicable Legal Requirement, or (b) established or maintained any fund or asset that has not been recorded in the books and records of such Company.

2.27 INVESTMENT INTENTION

Each Seller is acquiring the Consideration Shares for its own account, for investment purposes only and not with a view to the distribution (as such term is used in Section 2(11) of the Securities Act of 1933, as amended (the "Securities Act"). Each Seller understands that the Consideration Shares have not been registered under the Securities Act, and cannot be sold unless subsequently registered under the Securities Act or an exemption from such registration is available.

3. **REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer represents and warrants to Sellers, as of the date hereof and as of the Closing Date, as follows:

3.1 ORGANIZATION AND GOOD STANDING

Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada, with corporate power and authority to conduct its business as it is now being conducted, and to own or use the properties and assets that it purports to own or use.

3.2 AUTHORITY; NO CONFLICT

(a) Buyer has the corporate power and authority to consummate the Contemplated Transactions. The Contemplated Transactions have been duly authorized by the Board of Directors of Buyer and no other corporate action on the part of Buyer is necessary to consummate the Contemplated Transactions.

(b) This Agreement has been duly and validly executed and delivered by Buyer and, assuming the due and valid authorization, execution and delivery thereof by Sellers, is a valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights, general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) The execution, delivery and performance of this Agreement and the consummation of the Contemplated Transactions will not:

(i) conflict with or result in a breach of any provision of the Organizational Documents of Buyer;

(ii) conflict with or result in a breach of, or give any Governmental Body or other Person the right to exercise any remedy or obtain any relief under, any Legal Requirement or any Order or material agreement to which Buyer may be subject; or

(iii) require any Consent obtained from, approval of, authorization of, or qualification with any shareholder, sponsor or creditor Buyer, or any other Person or Governmental Body, by Buyer.

3.3 LEGAL PROCEEDINGS

There is no pending Proceeding that could reasonably be expected to have a Material Adverse Effect on Buyer or any of the Contemplated Transactions and to the Knowledge of Buyer, no such Proceeding has been Threatened.

3.4 INVESTIGATION BY BUYER; SELLERS' LIABILITY

Buyer has conducted its own independent investigation, review and analysis of the business, operations, assets, liabilities, results of operations, financial condition, technology and prospects of the Company, which investigation, review and analysis was done by Buyer and, to the extent Buyer deemed appropriate, by Buyer's Representatives based on information made available by Sellers and the Company to the Buyer. Buyer acknowledges that it and its Representatives have been provided adequate access to the personnel, properties, premises and records of the Company for such purpose.

3.5 BROKERS OR FINDERS

Buyer has not entered into any agreement or arrangement entitling any agent, broker, investment banker, financial advisor or other firm or Person to any broker's or finder's fee or any other commission or similar fee in connection with the Contemplated Transactions. Sellers have disclosed the involvement of Wayne Gomez.

3.6 REPORTING STATUS - BUY BACK

Buyer represents that it will make all reasonable efforts to be fully reporting for purposes of SEC standing. In the event Buyer is not fully reporting by January 1, 2009, Sellers may, in their individual sole discretion, sell their shares back to the Buyer at $1.00 per share after giving Buyer thirty-day written notice during which time Buyer may cure by complying with this paragraph by becoming fully reporting. This sell back option must be fully consummated on or before January 30, 2009, after which time it will expire.

4. COVENANTS OF THE PARTIES

4.1 ACCESS AND INVESTIGATION

Between the date of this Agreement and the Closing Date, Sellers will, and will cause the Company to: (a) afford Buyer and its Representatives and prospective lenders and their Representatives (collectively, "Buyer's Advisors") reasonable access to such of Sellers' and such Company's personnel, properties, contracts, books and records and other documents and data to which Buyer may reasonably request access; (b) furnish Buyer and Buyer's Advisors with copies of all such contracts, books and records and other existing documents and data as Buyer may reasonably request; and (c) furnish Buyer and Buyer's Advisors with such additional financial, operating and other data and information as Buyer may reasonably request; provided, however, that any such access, investigation and review shall be conducted during normal business hours and so as not to interfere with the normal operations of the Company.

4.2 OPERATION OF THE BUSINESSES OF THE COMPANY

Between the date of this Agreement and the Closing Date, Sellers will, and will cause the Company to:

(a) operate, maintain and repair the Facilities in accordance in all material respects with the ordinary course of business and collect all Accounts Receivable of the Company on a timely basis;

(b) preserve intact the current business organization of the Company, keep available the services of the current officers, employees and agents of the Company, and maintain the relations and good will with suppliers, customers, landlords, creditors, employees, agents and others having business relationships with the Company;

(c) confer with Buyer concerning any matters which could reasonably be expected to have a Material Adverse Effect;

(d) not make any commitments or representations regarding employment at the Facilities or the Company, or any terms or conditions of employment that Buyer might offer to any Person after Closing;

(e) not grant any express Encumbrance on any assets of the Company, except to the extent (i) required incident to the operation of the assets of such Company and the Facilities in the ordinary course of business, or (ii) required or evidenced by any Existing Contract, and then only to the extent that the Encumbrances identified in (i) and (ii) above would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect;

(f) maintain in full force and effect the Insurance Policies with the coverages, limits and deductibles set forth in Section 3.24 of the Disclosure Letter;

(g) not take any action which would cause any of Sellers' representations and warranties set forth in Article 3 to be incorrect in any material respect as of the Closing;

(h) take any affirmative action, or fail to take any reasonable action within its control, as a result of which any of the following changes or events is likely to occur:

(i) payment or increase by the Company of any bonuses, salaries or other compensation to any shareholder, director, officer or (except in the ordinary course of business) employee or entry into any employment, severance or similar contract with any shareholder, director, officer or employee;

(ii) adoption of, or increase in the payments to or benefits under, any profit sharing, bonus, deferred compensation, savings, insurance, pension, retirement or other employee benefit plan for or with any employees of the Company;

(iii) damage to or destruction or loss of any asset or property of the Company, whether or not covered by insurance, materially and adversely affecting the properties, assets, financial condition or prospects of the Company, taken as a whole, or the Facilities or the Business;

(iv) sale (other than in the ordinary course of business pursuant to this Agreement), lease, or other disposition of any asset or property of the Company or mortgage, pledge or imposition of any lien or other encumbrance on any asset or property of the Company (other than the Purchased Units).

4.3 REQUIRED APPROVALS

(a) As promptly as practicable after the date of this Agreement, each Party shall (and in the case of Sellers, Sellers shall cause the Company to) commence reasonable action and shall use its commercially reasonable efforts to obtain all applicable Consents as required by the terms of this Agreement or as may be necessary or appropriate to authorize, approve or permit the consummation of the Contemplated Transactions, and the filing of any necessary reports with the Securities and Exchange Commission, on or prior to the Closing Date in accordance with the terms of this Agreement.

(b) Between the date of this Agreement and the Closing Date, each Party shall (and in the case of Sellers, Sellers shall cause the Company to) cooperate with the other Party or Parties (a) with respect to all filings that Buyer elects to make or is required by Legal Requirements to make in connection with the Contemplated Transactions; and (b) in obtaining all Consents identified in Section 3.22 of the Disclosure Letter and as set forth in Article 6 of this Agreement.

4.4 NOTIFICATION

(a) Between the date of this Agreement and the Closing Date, each Party will promptly notify the other Party or Parties in writing of any fact or condition that causes or constitutes a Breach of any representations and warranties provided by such Party (or, in the case of Sellers, any of the other Sellers) as of the date of this Agreement or if such Party becomes aware of the occurrence after the date of this Agreement of any fact or condition that would (except as expressly contemplated by this Agreement) cause or constitute a Breach of any such representation or warranty had such representation or warranty been made as of the time of occurrence or discovery of such fact or condition.

4.5 UPDATE OF DISCLOSURE LETTER

Sellers may from time to time prior to or on the Closing Date, by notice in accordance with this Agreement, supplement or amend the Disclosure Letter, including one or more supplements or amendments to (a) correct any matter that would otherwise constitute a Breach of any representation, warranty or covenant contained herein.

4.6 NO NEGOTIATION

Until such time, if any, as this Agreement is terminated pursuant to Article 7 of this Agreement, Sellers will not directly or indirectly, solicit, initiate or encourage any inquiries or proposals from, discuss or negotiate with, provide any non-public information to or consider the merits of any unsolicited inquiries or proposals from, any Person (other than Buyer) relating to any transaction involving the sale of the Purchased Units or the Facilities or the Business, or any merger, consolidation, business combination or similar transaction involving the Company, the Facilities, or the Business.

4.7 RISK OF LOSS

(a) Following the date of this Agreement and through and expiring upon the Closing, all risk of loss or damage to the Facilities shall be borne by Sellers.

4.8 POST-CLOSING OBLIGATIONS

After the Closing:

(a) Unless the Parties agree otherwise in writing, Buyer, as the sole member of MV after the Closing, shall use commercially reasonable efforts to make reasonable capital contributions to MV in amount to be agreed upon in good faith among the parties.

4.9 NO SOLICITATION OF EMPLOYEES, SUPPLIERS OR CUSTOMERS

No Seller shall, and shall not permit any Affiliate of any Seller to, from and after the Closing Date, and for a period of three (3) years thereafter, directly or indirectly, for itself or on behalf of any other Person, employ, engage or retain any Person who, at any time during the twelve (12)-month period immediately preceding the Closing Date, shall have been an employee of the Company, or contact any supplier, customer or employee of the Company for the purpose of soliciting or diverting any such supplier, customer or employee from the Company.

5. CONDITIONS TO CLOSING

5.1 CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BUYER

Buyer's obligation to purchase the Purchased Units and to take the other actions required to be taken by Buyer at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions in form and substance reasonably satisfactory to Buyer (any of which may be waived by Buyer in writing, in whole or in part):

(a) Accuracy of Representations. All of Sellers' representations and warranties in this Agreement shall be true and complete in all respects as of the date of this Agreement and on and as of the Closing Date as if made on and as of the date of this Agreement and again on the Closing Date (without giving effect to any supplement to the Disclosure Letter unless accepted by Buyer in writing after the time of execution and delivery of this Agreement).

(b) Consents. Each Consent identified in Section 3.22 of the Disclosure Letter, as supplemented and/or amended from time to time, shall have been obtained in a form and substance reasonably acceptable to Buyer and shall be in full force and effect.

(c) Additional Documents. Such other documents as Buyer may reasonably request for the purpose of evidencing the accuracy of any of Sellers' representations and warranties, evidencing the performance by Sellers of, or the compliance by Sellers with, any covenant or obligation required to be performed or complied with by Sellers and evidencing the satisfaction of any condition referred to in this Section 6.1.

(d) No Proceedings. There shall not have been commenced or Threatened against either Party, or against any Person affiliated with either Party, any Proceeding (i) involving any challenge to, or seeking damages or other relief in connection with, any of the Contemplated Transactions; or (ii) that may have the effect of preventing, delaying, making illegal or otherwise interfering with any of the Contemplated Transactions.

(e) No Claim Regarding Purchased Unit Ownership or Sale Proceeds. There shall not have been made or Threatened by any Person any claim asserting that such Person (i) is the holder or the beneficial owner of, or has the right to acquire or to obtain beneficial ownership of the Purchased Units (other than Buyer or Sellers), or (ii) is entitled to all or any portion of the Consideration Shares to be delivered in exchange for the Purchased Units.

(f) No Injunction. There shall not be in effect any Legal Requirement or any injunction or other Order that (i) prohibits the sale of the Purchased Units by Sellers to Buyer or any of the Contemplated Transactions, and (ii) has been adopted or issued, or has otherwise become effective.

(g) Unaudited Financial Statements. Buyer shall have received from Sellers the Unaudited Financial Statements of the Company.

(h) No Material Adverse Effect. No event or events shall have occurred that, individually or in the aggregate, have, or are reasonably likely to have, a Material Adverse Effect on the Company, the Facilities or the Business or on any of the assets, businesses, operations, financial condition or prospects of the Company.

5.2 CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLERS

Sellers' obligation to sell the Purchased Units and to take the other actions required to be taken by Sellers at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions in form and substance reasonably satisfactory to Sellers (any of which may be waived by Sellers, in whole or in part):

(a) Accuracy of Representations. All of Buyer's representations and warranties in this Agreement shall be true and complete in all respects as of the date of this Agreement and on and as of Closing Date as if made on and as of the date of this Agreement and again on the Closing Date.

(b) Additional Documents. Such other documents as Sellers may reasonably request for the purpose of evidencing the accuracy of any of Buyer's representations and warranties, evidencing the performance by Buyer of, or the compliance by Buyer with, any covenant or obligation required to be performed or complied with by Buyer and evidencing the satisfaction of any condition referred to in this Section 6.2.

(c) No Injunction. There shall not be in effect any Legal Requirement or any injunction or other Order that (i) prohibits the sale of the Purchased Units by Sellers to Buyer or any of the Contemplated Transactions, and (ii) has been adopted or issued, or has otherwise become effective.

6. TERMINATION

6.1 TERMINATION EVENTS

This Agreement may, by written notice given prior to or at the Closing, be terminated:

(a) by Buyer (i) if a material Breach has been committed by Sellers, and such Breach is reasonably likely to have a Material Adverse Effect and has not been waived by Buyer, or (ii) if any of the conditions in Section 6.1 of this Agreement has not been satisfied as of thirty (30) days after the date hereof or if satisfaction of such a condition is or becomes impossible (other than through the failure of Buyer to comply with its obligations under this Agreement) and Buyer has not waived such condition on or before such date;

(b) by Sellers (i) if a material Breach has been committed by Buyer and such Breach is reasonably likely to have a Material Adverse Effect and has not been waived by Sellers, or (ii) if any of the conditions in Section 6.2 has not been satisfied as of thirty (30) days after the date hereof or if satisfaction of such a condition is or becomes impossible (other than through the failure of Sellers to comply with their obligations under this Agreement) and Sellers have not waived such condition on or before such date;

(c) by mutual consent of Buyer and Sellers;

(d) by either Buyer or Sellers if the Closing has not occurred (other than through the failure of any Party seeking to terminate this Agreement to comply with its obligations under this Agreement) as of thirty (30) days after the date hereof, or such later date as Buyer and Sellers may agree upon; or

(e) by either Buyer or Sellers if any Governmental Body shall have issued an Order or taken any other action which prohibits the acquisition by Buyer of the Purchased Units or the consummation of the Contemplated Transactions.

6.2 EFFECT OF TERMINATION

In the event of the termination of this Agreement by any Party pursuant to the terms of this Agreement, written notice thereof shall forthwith be given to the other Party or Parties specifying the provision hereof pursuant to which such termination of this Agreement is made, and there shall be no liability or obligation thereafter on the part of any Party except as provided in Article 8 hereof prior to such termination.

7. GENERAL PROVISIONS

7.1 EXPENSES

Except as otherwise expressly provided in this Agreement, each Party to this Agreement will bear its respective expenses incurred in connection with the preparation, execution and performance of this Agreement and the Contemplated Transactions, including all fees and expenses of agents, representatives, counsel and accountants. Sellers will cause the Company not to incur any out-of-pocket expenses in connection with this Agreement. In the event of termination of this Agreement, the obligation of each Party to pay its own expenses will be subject to any rights of such Party arising from a Breach of this Agreement by another Party.

7.2 NOTICES

All notices, consents, waivers and other communications under this Agreement must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) sent by facsimile (with written confirmation of receipt), provided that a copy is mailed by registered mail, return receipt requested, or (c) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case, to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a Party may designate by notice to the other Parties in accordance with this Section):

Sellers:

Strategic Environmental & Energy Resources, Inc.
7801 Brighton Road
Commerce City, CO 80022
Attention: J. John Combs III

Buyer:

MV, LLC
1511 Washington Avenue
Golden, CO 80401
Attention: Paul B. Trost

7.3 FURTHER ASSURANCES

Buyer and Sellers agree (a) to furnish upon request to each other such further information, (b) to execute and deliver to each other such other documents, and (c) to do such other acts and things, in each case, all as the other Party or Parties may reasonably request for the purpose of carrying out the intent of this Agreement and the Contemplated Transactions.

7.4 ENTIRE AGREEMENT AND MODIFICATION

This Agreement supersedes all prior agreements (whether oral or in writing) by and among the Parties with respect to its subject matter and constitutes (along with the documents referred to in this Agreement) a complete and exclusive statement of the terms of the agreement among the Parties with respect to its subject matter and is not intended to confer any rights or remedies upon any Person other than the Parties. This Agreement may not be amended except by a written agreement executed by Buyer and Sellers.

7.5 ARBITRATION

Buyer and Sellers hereby agree that all disputes arising out of or in connection with this Agreement or the Breach, termination or validity thereof ("Dispute") shall be finally settled under the Rules of Arbitration of the American Arbitration Association (" AAA"), then in effect (the "Rules") by one (1) arbitrator. The hearing shall take place in Denver, Colorado. The award may include an award of interest, legal fees and costs of the arbitration. The award shall be final, binding and conclusive upon the Parties. Each Party shall have the right to have the award enforced by any court of competent jurisdiction.

7.6 ASSIGNMENTS, SUCCESSORS, AND NO THIRD-PARTY RIGHTS

Neither Buyer nor Sellers may assign any of its rights under this Agreement without the prior written consent of the other Party or Parties, except that Buyer may assign any of its rights under this Agreement to any Affiliate or Subsidiary of Buyer without such consent of Sellers. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon, and inure to the benefit of the successors and permitted assigns of, the Parties. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties and their permitted successors and assigns.

7.7 SEVERABILITY

If any provision of this Agreement is determined to be void, illegal, invalid, unenforceable or contrary to public law or policy, the other provisions of this Agreement shall remain in full force and effect. Any provision of this Agreement so determined to be void, illegal, invalid, unenforceable or contrary to public law or policy only in part or degree shall not affect the validity or enforceability of the remaining provisions of this Agreement.

7.8 GOVERNING LAW

This Agreement will be governed by the laws of the State of Colorado without regard to conflicts of laws principles.

7.9 COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

7.10 CONFLICT BETWEEN AGREEMENT AND ATTACHMENTS, ETC.

In the event of conflict between this Agreement and the Exhibits and Schedules attached to this Agreement, this Agreement shall prevail.

7.11 EXHIBITS AND SCHEDULES

All Exhibits and Schedules to this Agreement form part of this Agreement.

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first above written.

"Buyer":

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC

By: /s/ J. John Combs III
Name: J. John Combs III
Title: Chief Executive Officer

"Sellers":

Mtarri, Inc., by Paul B. Trost, President

/s/ Paul B. Trost

Fred Varani

/s/ Fred Varani

MV, LLC

By: /s/ Paul B. Trost
Name: Paul B. Trost, Manager

By: /s/ Fred Varani
Name: Fred Varani, Manager

Schedule 2.1

Purchase and Sale of Purchased Units; Allocation of Consideration Shares

Name	MV Units Sold		Consideration Shares Received
Mtarri, Inc.Paul Trost	600,000		600,000
Fred Varani	600,000		600,000

Schedule 5.9(c)
Personal Liabilities

Trost and Varani (individually):

1. Personal Liabilities under that certain

Exhibit 10.2

EXCHANGE & ACQUISITION AGREEMENT

THIS EXCHANGE AGREEMENT (the "**Agreement**") made this 10th day of August, 2011 by and among, ***Strategic Environmental & Energy Resources, Inc.***, a Nevada corporation, with its principal offices located at 7801 Brighton Rd., Commerce City, CO 80022 ("SENR" or "Purchaser" or "**Pubco**") on one hand and ***Black Stone Management Services, LLC,*** a Nevada limited liability company, with its principal office located at 10805 Bernini Dr., Las Vegas, NV 89141 ("BSMS" or the "**Company**") and **Fortunato Villamagna**, the inventor and Company's Chairman (collectively referred to jointly and severally as "Sellers"), on the other hand.

WHEREAS, the parties have formed Paragon Waste Solutions, LLC, a Colorado Limited Liability Company, currently owned 60% by Pubco and 40% by Sellers ("Paragon"); and

WHEREAS, The Boards of Directors of Pubco and the Sellers have determined that an irrevocable and final acquisition by Pubco through a voluntary exchange of Pubco shares for the intellectual property arising out of or related to the Pyro-Plasma Waste Destruction and Emission Treatment technology and process (herein "Technology" or "Transferred IP") developed and currently owned by Sellers as more fully described and defined in Exhibit A attached hereto and incorporated herein by this reference (the "**Exchange and Acquisition**"), upon the terms and subject to the conditions set forth in this Agreement, would be fair and in the best interests of the Pubco's stockholders and the Sellers, and the Board of Directors of Pubco and the Sellers have approved such equal and fair Exchange and Acquisition," pursuant to which Sellers' intellectual property in the Technology will be exchanged and acquired for the right of Sellers to receive 1,000,000 shares of common stock of Pubco (the "**Exchange Shares**"); and

WHEREAS, the Technology being acquired herein by Pubco shall NOT include certain plasma technology being developed by Sellers outside the field of Emission Treatment Technology.

WHEREAS, Sellers desire to sell and Pubco desires to purchase all of the Intellectual Property rights arising out of and related to the Technology of Sellers in a stock-for-assets exchange (the "Reorganization") intended to qualify as a tax-free reorganization under §368(a)(1)(C) of the Internal Revenue Code; and

WHEREAS, Field of Use for the acquired Technology is unlimited and shall include any and all applications for the Technology related to solid waste destruction and emission treatment of any kind throughout the world; and

WHEREAS, Purchasers acknowledge prior commitments and license agreements entered into by Black Stone Management Services, attached to this Agreement.

NOW, THEREFORE, in consideration of the representations, warranties, covenants and agreements contained in this Agreement, the parties agree as follows:

1. **Purchase and Sale**. Subject to the terms and conditions set forth in this Agreement, Sellers agree to sell, convey, transfer, grant, assign, and deliver to Purchasers from Sellers as of the date of this Agreement all of Sellers' interest in and to the Technology and Transferred IP, including, but not necessarily limited to, the following:

a. All right, title and interest of Sellers in and to all patents, patents pending, and any applications therefor, copyrights, trademarks, and trade names filed by Sellers; and

b. All right, title and interest of Sellers in and to any agreements, licenses, proposed licenses, memoranda of understanding, and letters of intent arising out of or related to the Technology and Transferred IP; and

c. All right, title and interest of Sellers now owned or to be owned in and to inventions, discoveries, improvements, processes, ideas and know-how ("Know-how"), including, without limitation, Know-how relating to the Technology and Transferred IP; and

d. All right, title and interest of Sellers in and to all business plans, customer lists, market surveys, trade secrets and other proprietary information of Seller arising out of or related to the Technology and Transferred IP; and

e. All right, title and interest of Sellers in and to all test and technical data, research materials, records, blue-prints, drawings, specifications, diagrams, programs, software or other computer records, and other materials arising out of or related to the Technology and Transferred IP.

2 . **Consideration Paid by SENR** As full and final consideration for the Transferred IP, SENR shall issue a total of one million (1,000,000) common shares in Strategic Environmental & Energy Resources, Inc. (SENR.pk) to Black Stone Management Services at a deemed value of $0.10 per share at close of the transaction.

3 . **Corporate Authority** The execution and delivery of this Agreement by BSMS and the consummation of the transaction contemplated hereby, are not in violation of any restrictions governing its corporate transactions. The execution and performance of this Agreement by Sellers, will not constitute a material breach of any agreement, indenture, mortgage, license or other instrument or document to which Sellers is/are a party and will not violate any judgment, decree, order, writ, or regulation applicable to Sellers.

4 . **Ownership of Interests**. Sellers are the sole owners of record and beneficially of all of the Technology and Transferred IP that is the subject of this Agreement. Sellers represent and warrant that it/he owns such interests free and clear of all rights, claims, liens and encumbrances, and the interests have not been sold, pledged, assigned nor otherwise transferred except pursuant to this Agreement.

5 . **Approvals**. No approval, authorization, consent, order or other action of, or filing with, any person, firm or corporation is required in connection with the execution and delivery of this Agreement by Sellers for the consummation of the transactions described herein.

6 . **Further Assurances**. The parties shall execute such documents and other papers and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby.

7 . **Indemnification**. Sellers, jointly and severally, agree to indemnify and hold harmless Pubco and any of its affiliates (including Paragon), officers, directors and principal capital interest holders from and against any liability, damage, or deficiency, all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including attorneys' fees, resulting from any claims by third parties (including, but not limited to UTEC and any of its related parties or individuals) related to the exchange and transfer of the Technology and Transferred IP from Sellers to Pubco as set forth in this Agreement.

Purchaser agrees to indemnify and hold harmless Sellers and any affiliates, officers, directors and principal capital interest holders from and against any liability, damage, or deficiency in performance, accident, misuse or catastrophic event, all actions, suits, proceedings, demands, assessments, judgments, costs and expenses, including attorneys' fees, resulting from any claims by third parties related to the exchange and transfer of the Technology from Sellers to Pubco as set forth in this Agreement.

Miscellaneous:

8 . Waivers. The waiver of a breach of this Agreement or the failure of any party hereto to exercise any right under this Agreement shall in no way constitute waiver as to future breach whether similar or dissimilar in nature or as to the exercise of any further right under this Agreement.

9 . Amendment. This Agreement may be amended or modified only by a written instrument signed by all the parties or the duly authorized representatives of the respective parties.

1 0 . Governing Law. This Agreement shall be construed, and the legal relations between the parties determined, in accordance with the laws of the State of Nevada, thereby precluding any choice of law rules which may direct the application of the laws of any other jurisdiction.

1 1 . Publicity. No publicity release or announcement concerning this Agreement or the transactions contemplated hereby shall be issued by either party hereto at any time from the signing hereof without advance approval in writing of the form and substance by the other party.

1 2 . Entire Agreement. This Agreement executed in connection with the consummation of the transactions contemplated herein contain the entire agreement among the parties with respect to the sale of the Intellectual Property and supersedes all prior agreements, written or oral, with respect thereto.

1 3 . Headings. The headings in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

1 4 . Severability of Provisions. The invalidity or unenforceability of any term, phrase, clause, paragraph, restriction, covenant, agreement or provision of this Agreement shall in no way affect the validity or enforcement of any other provision or any part thereof.

1 5 . Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed, shall constitute an original copy hereof, but all of which together shall consider but one and the same document.

1 6 . Binding Effect. This Agreement shall be binding upon the parties hereto and inure to the benefit of the parties, their respective heirs, administrators, executors, successors and assigns.

1 7 . Press Releases. The parties will mutually agree as to the wording and timing of any informational releases concerning this transaction prior to and through Closing.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

Purchaser:

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

/s/ J. John Combs
By: J. John Combs, CEO

Sellers:

FORTUNATO VILLAMAGNA, an individual

/s/ Fortunato Villamagna

BLACK STONE MANAGEMENT SERVICES, LLC

/s/ Fortunato Villamagna
By: Fortunato Villamagna, Chairman

The licensed Technology entails a cold plasma oxidation process that allows for the destruction of hazardous, chemical and biological waste via a non-thermal, non-pyrolitic process that can be operated as a stand-alone system or in conjunction with an existing thermal treatment pre-treatment process. The waste is converted using by injecting waste into a stream of free radicals that break the waste apart. The high kinetic energy induced in the field creates numerous ionized, excited and dissociated species with varying levels of chemical activity. These species create the perfect environment for plasma chemical reactors, with the ability to convert carbonaceous materials and steam to inert gasses.

Rather than using brute force thermal methods (incineration or hot plasmas) to destroy waste, the Technology utilizes very low current but high voltage fields working on a molecule’s internal dipole to break up molecules into fragments of their constituent molecules. Once the low temperature plasma is created, the exothermic system is thermally managed in order to convert the ions, atoms, molecular fragments and plasma to a carefully controlled series of products (carbon dioxide and water).

The Technology includes any mechanical delivery or form of the process, including, but not limited to, batch, continuous feed, or any related process.

EXHIBIT 10.3

ACQUISITION AGREEMENT

DATED AS OF

JANUARY 9, 2008

BY AND AMONG

REGS, LLC, TACTICAL CLEANING COMPANY, LLC

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

AND

INFINITY CAPITAL GROUP, INC.

AGREEMENT AND PLAN OF ACQUISITION

This ACQUISITION AGREEMENT, is dated as of January 9, 2008 (this "Agreement"), by and among INFINITY CAPITAL GROUP, INC., a Maryland corporation ("ICG"), STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC. a Nevada corporation and partially-owned subsidiary of ICG ("Acquisition SEER"), and REGS, LLC and TACTICAL CLEANING COMPANY, LLC, both of which are Colorado Limited Liability Companies, ("collectively hereafter called REGS where not otherwise designated as REGS and Tactical respectively").

WHEREAS, the boards of directors of ICG, SEER, and REGS, respectively, have each approved, as being in the best interests of the respective corporations and LLCs and their stockholders and interest holders, the acquisition of the REGS LLCs (the "Acquisition") by SEER, in accordance with the applicable provisions of the Nevada Revised Statutes (the "NRS") and the Colorado Revised Statutes (the "CRS");

WHEREAS, pursuant to the Acquisition, each interest holder of R EGS and Tactical shall, in accordance with the provisions of this Agreement, allow their interests to be acquired for a number of shares of SEER common stock, no par value ("SEER Common Stock"), equal to the Conversion Amount;

WHEREAS, a reverse stock split of SEER Common Stock has been consummated on a one for four basis; pursuant to which each four (4) outstanding shares of SEER Common Stock has been converted into one (1) share of SEER Common Stock (the "Reverse Stock Split");

WHEREAS, for federal income tax purposes, it is intended that the Acquisition shall qualify as a tax free transfer to a controlled corporation under the provisions of Section 351 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, ICG, SEER, and REGS desire to make certain representations, warranties, covenants, and agreements in connection with the Acquisition and also to prescribe various conditions to the Acquisition; and

WHEREAS, this Agreement is intended to set forth the terms upon which REGS will be acquired by SEER;

WHEREAS, ICG, SEER, and REGS are in agreement that so long as the substance of this transaction does not materially change the mechanics of the Agreement may be restructured to achieve desired tax objectives;

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, and agreements set forth herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, the parties do hereby agree as follows:

THE ACQUISITION

1. **Effects of the Acquisition.**

1.1 AT THE TIME OF CLOSING (AS DEFINED IN SECTION 2.01) AND BY VIRTUE OF THE ACQUISITION, ALL OF THE ISSUED AND OUTSTANDING REGS OWNERSHIP INTERESTS SHALL BE ACQUIRED AS PROVIDED IN SECTION 1.03.

1.2 WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, AND SUBJECT THERETO AND TO ANY OTHER APPLICABLE LAWS, AT THE TIME OF CLOSING, ALL THE PROPERTIES, RIGHTS, PRIVILEGES, POWERS, AND FRANCHISES OF REGS AND SEER SHALL BE OWNED BY SEER ON A CONSOLIDATED BASIS, AND, SUBJECT TO THE TERMS OF THIS AGREEMENT, ALL DEBTS, LIABILITIES, RESTRICTIONS, DISABILITIES, AND DUTIES OF REGS AND SEER SHALL REMAIN AS THEY ARE PRIOR TO THE ACQUISITION. SEER HAS CHANGED ITS NAME TO STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC. AND HAS APPLIED FOR A NEW TRADING SYMBOL.

2. **Conversion of Securities.**

As of the time of Closing, by virtue of the Acquisition and without any action on the part of any holder thereof:

2.1 EACH OWNERSHIP INTEREST IN REGS THAT IS ISSUED AND OUTSTANDING IMMEDIATELY PRIOR TO THE CLOSING, OTHER THAN OWNERSHIP INTERESTS THAT ARE OWNED BY INTEREST HOLDERS WHO HAVE NOT CONSENTED TO THE ACQUISITION AND WHO HAVE OTHERWISE TAKEN ALL OF THE STEPS REQUIRED BY THE CRS TO PROPERLY EXERCISE AND PERFECT SUCH OWNERSHIP HOLDERS' DISSENTERS' RIGHTS (THE "DISSENTING INTERESTS") SHALL, EXCEPT AS SET FORTH BELOW, BE ACQUIRED FOR THAT NUMBER OF SHARES OF SEER COMMON STOCK EQUAL TO THE CONVERSION AMOUNT. ALL SUCH REGS OWNERSHIP INTERESTS SHALL BE OWNED BY SEER IN CONSIDERATION THEREFOR UPON SURRENDER FOR ACQUISITION OF EACH SUCH CERTIFICATE IN ACCORDANCE WITH SECTION 1.03.

2.2 EACH OWNERSHIP INTEREST IN REGS THAT IS ISSUED AND OUTSTANDING IMMEDIATELY PRIOR TO THE CLOSING SHALL BE ACQUIRED FOR THE SHARES OF COMMON STOCK OF SEER SET FORTH ON THE CAPITALIZATION TABLE (SCHEDULE 1.02(B) TO THIS AGREEMENT), AND EACH CERTIFICATE EVIDENCING OWNERSHIP OF ANY SUCH OWNERSHIP INTERESTS OF REGS SHALL THEREUPON EVIDENCE OWNERSHIP OF THE SAME OWNERSHIP INTERESTS IN REGS, BUT WILL BE HELD BY SEER.

2.3 EACH OUTSTANDING OPTION AND WARRANT TO PURCHASE ANY INTEREST IN REGS (EACH A "REGS OPTION OR WARRANT" AND, COLLECTIVELY, "REGS OPTIONS AND WARRANTS") WHETHER VESTED OR UNVESTED, SHALL BE ASSUMED BY SEER, ON A SHARE-FOR-SHARE BASIS. EACH REGS OPTION AND WARRANT SO ASSUMED BY SEER UNDER THIS AGREEMENT WILL CONTINUE TO HAVE, AND BE SUBJECT TO, THE SAME TERMS AND CONDITIONS OF SUCH REGS OPTION AND WARRANT, AS THE CASE MAY BE, IMMEDIATELY PRIOR TO THE CLOSING (INCLUDING WITHOUT LIMITATION, ANY REPURCHASE RIGHTS OR VESTING PROVISIONS AND PROVISIONS REGARDING THE ACCELERATION OF VESTING ON CERTAIN TRANSACTIONS, OTHER THAN THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT), EXCEPT THAT (I) EACH REGS OPTION OR WARRANT, AS THE CASE MAY BE, WILL BE EXERCISABLE (OR WILL BECOME EXERCISABLE IN ACCORDANCE WITH ITS TERMS) FOR THAT NUMBER OF WHOLE SHARES OF SEER COMMON STOCK EQUAL TO THE NUMBER OF SHARES OF SEER SET FORTH ON SCHEDULE 1.02(B), , AND (II) THE PER SHARE EXERCISE PRICE FOR THE SHARES OF SEER COMMON STOCK ISSUABLE UPON EXERCISE OF SUCH ASSUMED REGS OPTION OR WARRANT, AS THE CASE MAY BE, WILL BE EQUAL TO THE EXERCISE PRICE PER SHARE OF REGS COMMON STOCK AT WHICH SUCH REGS OPTION OR WARRANT, WAS EXERCISABLE IMMEDIATELY PRIOR TO THE CLOSING, ROUNDED DOWN TO THE NEAREST WHOLE CENT.

3. **Acquisition Procedures.**

3.1 AS SOON AS PRACTICABLE AFTER THE CLOSING, SEER SHALL MAIL TO EACH REGS INTEREST HOLDER A LETTER OF TRANSMITTAL AND INSTRUCTIONS FOR USE IN EFFECTING THE SURRENDER OF CERTIFICATES REPRESENTING OWNERSHIP INTERESTS IN REGS OUTSTANDING IMMEDIATELY PRIOR TO THE CLOSING (THE "CERTIFICATES") IN APPROPRIATE AND CUSTOMARY FORM WITH SUCH PROVISIONS AS THE BOARD OF DIRECTORS OF SEER INCIDENT TO THE ACQUISITION MAY SPECIFY. UPON SURRENDER OF A CERTIFICATE FOR ACQUISITION TO SEER, TOGETHER WITH SUCH LETTER OF TRANSMITTAL, DULY AND PROPERLY EXECUTED, THE HOLDER OF SUCH CERTIFICATE SHALL BE ENTITLED TO RECEIVE IN EXCHANGE THEREFORE A CERTIFICATE REPRESENTING THAT NUMBER OF SHARES OF SEER COMMON STOCK SET FORTH ON SCHEDULE 1.02(B),

TOGETHER WITH ANY DIVIDENDS AND OTHER DISTRIBUTIONS PAYABLE AS PROVIDED IN SECTION 1.04 HEREOF, AND THE CERTIFICATE SO SURRENDERED SHALL BE CANCELED AND RE-ISSUED IN THE NAME OF SEER. UNTIL SURRENDERED AS CONTEMPLATED BY THIS SECTION 1.03, EACH CERTIFICATE SHALL, AT AND AFTER THE CLOSING, BE DEEMED TO REPRESENT ONLY THE RIGHT TO RECEIVE, UPON SURRENDER OF SUCH CERTIFICATE, SEER COMMON STOCK AS CONTEMPLATED BY THIS SECTION 1.03, TOGETHER WITH ANY DIVIDENDS AND OTHER DISTRIBUTIONS PAYABLE AS PROVIDED IN SECTION 1.04, AND THE HOLDERS THEREOF SHALL HAVE NO RIGHTS WHATSOEVER AS STOCKHOLDERS OF SEER. SHARES OF SEER COMMON STOCK ISSUED IN THE ACQUISITION SHALL BE ISSUED, AND BE DEEMED TO BE OUTSTANDING, AT THE TIME OF CLOSING. SEER SHALL CAUSE ALL SUCH SHARES OF SEER COMMON STOCK ISSUED PURSUANT TO THE ACQUISITION TO BE DULY AUTHORIZED, VALIDLY ISSUED, FULLY PAID AND NON-ASSESSABLE AND NOT SUBJECT TO PREEMPTIVE RIGHTS.

3.2 IF ANY CERTIFICATE REPRESENTING SHARES OF SEER COMMON STOCK IS TO BE ISSUED IN A NAME OTHER THAN THAT IN WHICH THE CERTIFICATE SURRENDERED IN EXCHANGE THEREFORE IS REGISTERED, IT SHALL BE A CONDITION OF SUCH EXCHANGE THAT THE CERTIFICATE SO SURRENDERED SHALL BE PROPERLY ENDORSED AND OTHERWISE IN PROPER FORM FOR TRANSFER AND THAT THE PERSON REQUESTING SUCH EXCHANGE SHALL PAY ANY TRANSFER OR OTHER TAXES REQUIRED BY REASON OF THE ISSUANCE OF CERTIFICATES FOR SUCH SHARES OF SEER COMMON STOCK IN A NAME OTHER THAN THAT OF THE REGISTERED HOLDER OF THE CERTIFICATE SO SURRENDERED.

3.3 IN THE EVENT ANY CERTIFICATE SHALL HAVE BEEN LOST, STOLEN OR DESTROYED, UPON THE MAKING OF AN AFFIDAVIT OF THAT FACT BY THE PERSON CLAIMING SUCH CERTIFICATE TO BE LOST, STOLEN OR DESTROYED AND UPON THE POSTING BY SUCH PERSON OF A BOND IN SUCH AMOUNT AS SEER MAY REASONABLY DIRECT AS AN INDEMNITY AGAINST ANY CLAIM THAT MAY BE MADE AGAINST IT WITH RESPECT TO SUCH CERTIFICATE, SEER WILL ISSUE IN RESPECT OF SUCH LOST, STOLEN OR DESTROYED CERTIFICATE ONE OR MORE CERTIFICATES REPRESENTING SHARES OF SEER COMMON STOCK AS CONTEMPLATED BY THIS SECTION 1.03 AND SUCH PERSON SHALL BE ENTITLED TO THE DIVIDEND AND OTHER DISTRIBUTION RIGHTS PROVIDED IN SECTION 1.04 HEREOF.

3.4 IF ANY CERTIFICATES SHALL NOT HAVE BEEN SURRENDERED PRIOR TO THREE YEARS AFTER THE CLOSING (OR IMMEDIATELY PRIOR TO SUCH EARLIER DATE ON WHICH ANY PAYMENT IN RESPECT HEREOF WOULD OTHERWISE ESCHEAT OR BECOME THE PROPERTY OF ANY GOVERNMENTAL UNIT OR AGENCY), THE OPPORTUNITY FOR EXCHANGE WILL LAPSE AND NO LONGER BE AN OBLIGATION OF SEER.

3.5 SEER SHALL BE ENTITLED TO DEDUCT AND WITHHOLD FROM THE CONSIDERATION OTHERWISE PAYABLE PURSUANT TO THIS AGREEMENT TO ANY HOLDER OF A CERTIFICATE SURRENDERED FOR SHARES OF SEER COMMON STOCK (AND DIVIDENDS OR DISTRIBUTIONS WITH RESPECT TO SEER COMMON STOCK AS CONTEMPLATED BY SECTION 1.04 HEREOF) SUCH AMOUNT AS SEER IS REQUIRED TO DEDUCT AND WITHHOLD WITH RESPECT TO THE MAKING OF SUCH PAYMENT UNDER THE CODE, OR PROVISIONS OF ANY STATE, LOCAL OR FOREIGN TAX LAW. TO THE EXTENT THAT AMOUNTS ARE SO DEDUCTED AND WITHHELD, SUCH AMOUNTS SHALL BE TREATED FOR ALL PURPOSES OF THIS AGREEMENT AS HAVING BEEN PAID TO THE HOLDER OF SUCH CERTIFICATE.

4. **Dividends and Distributions.**

NO DIVIDENDS OR OTHER DISTRIBUTIONS DECLARED OR MADE WITH RESPECT TO SEER COMMON STOCK WITH A RECORD DATE ON OR AFTER THE CLOSING SHALL BE PAID TO THE HOLDER OF A CERTIFICATE ENTITLED BY REASON OF THE ACQUISITION TO RECEIVE CERTIFICATES REPRESENTING SEER COMMON STOCK UNTIL SUCH HOLDER SURRENDERS SUCH CERTIFICATE AS PROVIDED IN SECTION 1.03 HEREOF. UPON SUCH SURRENDER, THERE SHALL BE PAID BY SEER TO THE PERSON IN WHOSE NAME CERTIFICATES REPRESENTING SHARES OF SEER COMMON STOCK SHALL BE ISSUED PURSUANT TO THE TERMS OF THIS ARTICLE I (I) AT THE TIME OF THE SURRENDER OF SUCH CERTIFICATE, THE AMOUNT OF ANY DIVIDENDS AND OTHER DISTRIBUTIONS THERETOFORE PAID WITH RESPECT TO THAT NUMBER OF WHOLE SHARES OF SUCH SEER COMMON STOCK REPRESENTED BY SUCH SURRENDERED CERTIFICATE PURSUANT TO THE TERMS OF THIS ARTICLE I, WHICH DIVIDENDS OR OTHER DISTRIBUTIONS HAD A RECORD DATE ON OR AFTER THE CLOSING AND A PAYMENT DATE PRIOR TO SUCH SURRENDER AND (II) AT THE APPROPRIATE PAYMENT DATE, THE AMOUNT OF DIVIDENDS AND OTHER DISTRIBUTIONS PAYABLE WITH RESPECT TO THAT NUMBER OF WHOLE SHARES OF SEER COMMON STOCK REPRESENTED BY SUCH SURRENDERED CERTIFICATE PURSUANT TO THE TERMS OF THIS ARTICLE I, WHICH DIVIDENDS OR OTHER DISTRIBUTIONS HAVE A RECORD DATE ON OR AFTER THE CLOSING AND A PAYMENT DATE SUBSEQUENT TO SUCH SURRENDER.

5. **Directors.**

Subject to applicable law, the directors of REGS immediately prior to the Closing shall be the initial directors of SEER, in addition to retaining their respective positions in REGS and Tactical, and shall hold office until their respective successors are duly elected and qualified, or their earlier death, resignation or removal, in accordance with applicable law and SEER's certificate of incorporation and bylaws. Immediately after the Closing, the pre-acquisition directors of SEER shall resign and the directors of REGS immediately prior to the Closing shall be elected as the directors of SEER. The directors of SEER prior to the Closing shall remain entitled to indemnification for acts and omissions prior to the Closing to the fullest extent permitted under Nevada law and the certificate of incorporation and bylaws of SEER in effect prior to the Closing.

6. **Officers.**

The officers of REGS immediately prior to the Closing shall be the initial officers of SEER and shall hold office until their respective successors are duly elected and qualified, or their earlier death, resignation or removal. Immediately after the Closing, the officers of SEER shall resign and the officers of REGS immediately prior to the Closing shall be appointed as the officers of SEER. The officers of SEER prior to the Closing shall remain entitled to indemnification for acts and omissions prior to the Closing to the fullest extent permitted under Nevada law and the certificate of incorporation and bylaws of SEER in effect prior to the Closing.

7. **No Liability.**

Neither SEER nor REGS shall be liable to any holder of REGS Ownership Interests or SEER Common Stock, as the case may be, for such shares (or dividends or distributions with respect thereto) or cash delivered to a public official pursuant to any applicable abandoned property, escheat or similar law.

THE CLOSING

1. **Closing.**

Unless this Agreement shall have been terminated and the transactions herein contemplated shall have been abandoned pursuant to Article VIII, and subject to the satisfaction or waiver of the conditions set forth in Article VII, the closing of the Acquisition (the "Closing") shall take place on January 9, 2008 or as soon thereafter as the conditions in Article VII has been satisfied or waived (but in no event on written notice of less than two (2) business days) after all of the conditions set forth in Article VII are satisfied or, to the extent permitted hereunder, waived, at the offices of REGS, located at 7801 Brighton Road, Commerce City 80022 or at such other time and place as may be agreed to in writing by the parties hereto (the date of such Closing being referred to as the "Closing Date").

REPRESENTATIONS AND WARRANTIES OF ICG AND SEER

Except as set forth in the applicable section of the disclosure schedule delivered by SEER to REGS prior to the execution of this Agreement (the "SEER Disclosure Schedule"), SEER represents and warrants to REGS as follows:

1. **Organization of ICG and SEER; Authority.**

ICG is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland. SEER is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada. Each of ICG and SEER has all requisite corporate power and corporate authority to enter into the Transaction Documents to which it is a party, to consummate the transactions contemplated hereby and thereby, to own, lease and operate its properties and to conduct its business. Subject to the receipt of stockholder approval, the execution, delivery and performance by each of ICG and SEER of the Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of ICG and SEER, including, without limitation the approval of the board of directors of each SEER & ICG. The Transaction Documents have been duly executed and delivered by each of ICG and SEER and, assuming that the Transaction Documents constitute a valid and binding obligation of the other parties thereto, constitute a valid and binding obligation of each of ICG and SEER, enforceable against ICG and SEER in accordance with its terms. Each of ICG and SEER is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification necessary, except where the failure to obtain such qualification or license would not, individually or in the aggregate, have a SEER Material Adverse Effect. SEER has heretofore delivered or made available to REGS complete and correct copies of the certificate of incorporation and by-laws of SEER, the minute books and stock transfer records of SEER, as in effect as of the date of this Agreement. Neither ICG nor SEER is in violation of its organizational documents.

2. **Capitalization.**

The authorized capital stock of SEER consists of 70,000,000 shares of SEER Common Stock of which 3,507,252 shares are outstanding on the date hereof. After giving effect to the Reverse Stock Split, the authorized capital stock of SEER at the closing hereof shall consist of 70,000,000 shares of SEER Common Stock, of which 876,813 shares (as a result of the Reverse Stock Split) shall be issued and outstanding. No other shares of any other class or series of SEER Common Stock or securities exercisable or convertible into or exchangeable for SEER Common Stock ("SEER Common Stock Equivalents") are authorized, issued or outstanding. The outstanding shares of SEER Common Stock have been duly authorized and validly issued and are fully paid and non-assessable and were not issued in violation of, and are not subject to, any preemptive, subscription or similar rights. To SEER's knowledge, none of the outstanding shares of SEER Common Stock was issued in violation of any Law, including without limitation, federal and state securities laws. There are no outstanding warrants, options, subscriptions, calls, rights, agreements, convertible or exchangeable securities or other commitments or arrangements relating to the issuance, sale, purchase, return or redemption, and, to SEER's knowledge, voting or transfer of any shares, whether issued or unissued, of SEER Common Stock, SEER Common Stock Equivalents or other securities of SEER. On the Closing Date, the shares of SEER Common Stock for which shares of REGS Ownership Interests shall be exchanged in the Acquisition will have been duly authorized and, when issued and delivered in accordance with this Agreement, such shares of SEER Common Stock, will be validly issued, fully paid, and nonassessable.

3. **No Violation; Consents and Approvals.**

The execution and delivery by ICG & SEER of the Transaction Documents does not, and the consummation of the transactions contemplated hereby and thereby and compliance with the terms hereof and thereof will not, conflict with or result in any violation of or default (or an event which, with notice or lapse of time or both, would constitute a default) under, (a) the terms and conditions or provisions of the certificate of incorporation or by-laws of ICG or any SEER Subsidiary, (b) any Law applicable to ICG or SEER or the property or assets of SEER or (c) give rise to any right of termination, cancellation or acceleration under, or result in the creation of any Lien upon any of the properties of SEER under any Contract to which SEER is a party or by which SEER or any assets of SEER may be bound, except, in the case of clauses (b) and (c), for such conflicts, violations or defaults which are set forth in Section 3.04 of the SEER Disclosure Schedule and as to which requisite waivers or consents will have been obtained prior to the Closing or which, individually or in the aggregate, would not have a SEER Material Adverse Effect. No Governmental Approval is required to be obtained or made by or with respect to ICG or SEER in connection with the execution and delivery of this Agreement or the consummation by ICG and SEER of the transactions contemplated hereby.

4. **Litigation; Compliance with Laws.**

4.1 THERE ARE: (I) NO CLAIMS, ACTIONS, SUITS, INVESTIGATIONS OR PROCEEDINGS PENDING OR, TO THE KNOWLEDGE OF ICG OR SEER, THREATENED AGAINST, RELATING TO OR AFFECTING SEER, THE BUSINESS, THE ASSETS, OR ANY EMPLOYEE, OFFICER, DIRECTOR, STOCKHOLDER, OR INDEPENDENT CONTRACTOR OF SEER AND (II) NO ORDERS OF ANY GOVERNMENTAL ENTITY OR ARBITRATOR OUTSTANDING AGAINST SEER, THE BUSINESS, THE ASSETS, OR ANY EMPLOYEE, OFFICER, DIRECTOR, STOCKHOLDER, OR INDEPENDENT CONTRACTOR OF SEER OR THE SEER SUBSIDIARIES IN THEIR CAPACITIES AS SUCH, OR THAT COULD PREVENT OR ENJOIN, OR DELAY IN ANY RESPECT, CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY. SECTION 3.12 OF THE SEER DISCLOSURE SCHEDULE INCLUDES A DESCRIPTION OF ALL PENDING OR THREATENED CLAIMS, ACTIONS, SUITS, INVESTIGATIONS OR PROCEEDINGS INVOLVING SEER OR THE SEER SUBSIDIARIES, THE BUSINESS, THE ASSETS, OR ANY EMPLOYEE, OFFICER, DIRECTOR, STOCKHOLDER OR INDEPENDENT CONTRACTOR OF SEER.

4.2 ICG AND SEER HAVE COMPLIED AND ARE IN COMPLIANCE IN ALL MATERIAL RESPECTS WITH ALL LAWS APPLICABLE TO ICG, SEER, ITS BUSINESS OR ITS ASSETS. NEITHER ICG NOR SEER HAS RECEIVED NOTICE FROM ANY GOVERNMENTAL ENTITY OR OTHER PERSON OF ANY MATERIAL VIOLATION OF LAW APPLICABLE TO ICG, SEER, THEIR BUSINESS OR THEIR ASSETS. ICG AND SEER HAVE OBTAINED AND HOLD ALL REQUIRED LICENSES (ALL OF WHICH ARE IN FULL FORCE AND EFFECT) FROM ALL GOVERNMENT ENTITIES APPLICABLE TO ICG, AND SEER, THEIR BUSINESS OR THEIR ASSETS. NO VIOLATIONS ARE OR HAVE BEEN RECORDED IN RESPECT OF ANY SUCH LICENSE AND NO PROCEEDING IS PENDING, OR, TO THE KNOWLEDGE OF ICG OR SEER, THREATENED TO REVOKE OR LIMIT ANY SUCH LICENSE.

REPRESENTATIONS AND WARRANTIES OF RGS, LLC AND TACTICAL CLEANING COMPANY, LLC

Except as set forth in the applicable section of the disclosure schedule delivered by REGS to SEER prior to the execution of this Agreement (the "REGS Disclosure Schedule"), REGS and Tactical represent and warrant to SEER as follows:

1. **Organization of REGS; Authority.**

REGS and Tactical are Limited Liability Companies duly organized, validly existing and in good standing under the laws of the State of Colorado and have all requisite power and authority to enter into the Transaction Documents, to consummate the transactions contemplated hereby and thereby, to own, lease and operate their properties and to conduct business. Subject to the receipt of interest holder approval by REGS and Tactical, and the Acquisition of REGS and Tactical by SEER and the execution, delivery and performance by REGS of the Transaction Documents and the consummation of the transactions contemplated hereby and thereby, shall have been duly authorized by all necessary action on the part of REGS, including, without limitation, the approval of the then board of directors or managing members of REGS.

The Transaction Documents have been duly executed and delivered by REGS & Tactical and, assuming that the Transaction Documents constitute a valid and binding obligation of SEER and ICG, constitute a valid and binding obligation of REGS and Tactical. REGS and Tactical are each duly qualified or licensed to do business as a foreign LLC and each is in good standing in every jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification necessary, except where the failure to obtain such qualification or license would not, individually or in the aggregate, have a Material Adverse Effect. REGS has heretofore delivered or made available to SEER complete and correct copies of the articles of organization and by-laws of REGS and Tactical, and the minute books and ownership interest transfer records of the LLC's, as in effect as of the date of this Agreement. Neither REGS nor Tactical are in violation of their organizational documents.

2. **Capitalization.**

2.1 THE AUTHORIZED AND OUTSTANDING OWNERSHIP INTERESTS OF REGS SHALL BE EQUIVALENT TO 18,282,630 SHARES (PRE REVERSE SPLIT) OF COMMON STOCK AFTER ACQUISITION OF REGS BY SEER. ALL OF THE OUTSTANDING INTERESTS OF REGS AND TACTICAL ARE VALIDLY ISSUED, FULLY PAID AND NON-ASSESSABLE. TO THEIR MANAGING MEMBER'S KNOWLEDGE, NONE OF THE OUTSTANDING OWNERSHIP INTERESTS OF REGS OR TACTICAL OR OTHER SECURITIES OF SUCH COMPANIES HAS BEEN ISSUED IN VIOLATION OF ANY LAW, INCLUDING, WITHOUT LIMITATION, STATE AND FEDERAL SECURITIES LAWS. THERE ARE NO LIENS ON OR WITH RESPECT TO ANY OUTSTANDING INTEREST OF EITHER REGS OR TACTICAL.

2.2 OTHER THAN AS LISTED ON SCHEDULE 4.02, NO OUTSTANDING: (I) SECURITIES CONVERTIBLE INTO OR EXCHANGEABLE FOR REGS INTERESTS; (II) OPTIONS, WARRANTS OR OTHER RIGHTS TO PURCHASE OR SUBSCRIBE FOR REGS INTERESTS; OR (III) CONTRACTS, COMMITMENTS, AGREEMENTS, UNDERSTANDINGS OR ARRANGEMENTS OF ANY KIND RELATING TO THE ISSUANCE OF ANY REGS INTERESTS, ANY SUCH CONVERTIBLE OR EXCHANGEABLE SECURITIES OR ANY SUCH OPTIONS, WARRANTS OR RIGHTS. THERE IS NO OUTSTANDING RIGHT, OPTION OR OTHER AGREEMENT OF ANY KIND TO PURCHASE OR OTHERWISE TO RECEIVE FROM REGS, OR ANY HOLDER OF REGS TACTICAL, ANY OWNERSHIP INTEREST IN REGS OR, AND THERE IS NO OUTSTANDING RIGHT OR SECURITY OF ANY KIND CONVERTIBLE INTO ANY SUCH OWNERSHIP INTEREST. TO REGS'S KNOWLEDGE, THERE ARE NO VOTING TRUSTS, PROXIES OR OTHER SIMILAR AGREEMENTS OR UNDERSTANDINGS WITH RESPECT TO THE REGS INTERESTS. THERE ARE NO OBLIGATIONS, CONTINGENT OR OTHERWISE, OF REGS TO REPURCHASE, REDEEM OR OTHERWISE ACQUIRE ANY INTERESTS OF REGS OR TO PROVIDE FUNDS TO OR MAKE ANY INVESTMENT (IN THE FORM OF A LOAN, CAPITAL CONTRIBUTION OR OTHERWISE) IN ANY OTHER PERSON. THERE ARE NO ACCRUED AND UNPAID DIVIDENDS WITH RESPECT TO ANY OUTSTANDING INTERESTS OF REGS.

3. **No Violation; Consents and Approvals.**

The execution and delivery by REGS of the Transaction Documents does not, and the consummation of the transactions contemplated hereby and thereby and compliance with the terms hereof and thereof will not conflict with, or result in any violation of or default (or an event which, with notice or lapse of time or both, would constitute a default) under, (a) the terms and conditions or provisions of the articles of organization or by-laws of REGS or Tactical, (b) any Laws applicable to REGS Tactical or the property or assets of REGS or Tactical, or (c) give rise to any right of termination, cancellation or acceleration under, or result in the creation of any Lien upon any of the properties of REGS or Tactical under, any Contracts to which REGS or Tactical is a party or by which REGS or Tactical or any of its assets may be bound, except, in the case of clauses (b) and (c), for such conflicts, violations or defaults as to which requisite waivers or consents will have been obtained prior to the Closing or which, individually or in the aggregate, would not have a Material Adverse Effect. Except as set forth in Section 4.04 or in the REGS Disclosure Schedule, no Governmental Approval is required to be obtained or made by or with respect to REGS or Tactical or any REGS or Tactical Subsidiary in connection with the execution and delivery of this Agreement or the consummation by REGS or Tactical of the transactions contemplated hereby, except where the failure to obtain such Governmental Approval would not, individually or in the aggregate, have a Material Adverse Effect.

4. **Litigation; Compliance with Laws.**

4.1 EXCEPT AS WOULD NOT HAVE A MATERIAL ADVERSE EFFECT, THERE ARE: (I) NO CLAIMS, ACTIONS, SUITS, INVESTIGATIONS OR PROCEEDINGS PENDING OR, TO THE KNOWLEDGE OF REGS, THREATENED AGAINST, RELATING TO OR AFFECTING REGS, ITS BUSINESS, ITS ASSETS, OR ANY EMPLOYEE, OFFICER, DIRECTOR, STOCKHOLDER, OR INDEPENDENT CONTRACTOR OF REGS IN THEIR CAPACITIES AS SUCH, AND (II) NO ORDERS OF ANY GOVERNMENTAL ENTITY OR ARBITRATOR ARE OUTSTANDING AGAINST REGS OR , ITS BUSINESS, ITS ASSETS, OR ANY EMPLOYEE, OFFICER, DIRECTOR, STOCKHOLDER, OR INDEPENDENT CONTRACTOR OF REGS IN THEIR CAPACITIES AS SUCH, OR THAT COULD PREVENT OR ENJOIN, OR DELAY IN ANY RESPECT, CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY. SECTION 4.04 OF THE REGS DISCLOSURE SCHEDULE INCLUDES A DESCRIPTION OF ALL CLAIMS, ACTIONS, SUITS, INVESTIGATIONS OR PROCEEDINGS INVOLVING REGS, ITS BUSINESS, ITS ASSETS, OR ANY EMPLOYEE, OFFICER, DIRECTOR, INTEREST HOLDER OR INDEPENDENT CONTRACTOR OF REGS IN THEIR CAPACITIES AS SUCH. REGS HAS REACHED AGREEMENT TO RESCIND ITS TRANSACTION WITH REDROCK AND SUCH RESCISSION WILL BE SETTLED AND COMPLETED PRIOR TO OR CONCURRENT WITH CLOSING, OR WITH CONDITIONS ACCEPTABLE TO SEER AT CLOSING.

4.2 EXCEPT AS WOULD NOT HAVE A MATERIAL ADVERSE EFFECT, REGS HAS COMPLIED AND IS IN COMPLIANCE IN ALL MATERIAL RESPECTS WITH ALL LAWS APPLICABLE TO REGS AND THE BUSINESS OR ASSETS. REGS HAS NOT RECEIVED NOTICE FROM ANY GOVERNMENTAL ENTITY OR OTHER PERSON OF ANY MATERIAL VIOLATION OF LAW APPLICABLE TO REGS, ITS BUSINESS OR ITS ASSETS. REGS HAS OBTAINED AND HOLDS ALL REQUIRED LICENSES (ALL OF WHICH ARE IN FULL FORCE AND EFFECT) FROM ALL GOVERNMENT ENTITIES APPLICABLE TO IT, ITS BUSINESS OR ITS ASSETS. NO VIOLATIONS ARE OR HAVE BEEN RECORDED IN RESPECT OF ANY SUCH LICENSE AND NO PROCEEDING IS PENDING, OR, TO THE KNOWLEDGE OF REGS THREATENED TO REVOKE OR LIMIT ANY SUCH LICENSE.

COVENANTS RELATING TO CONDUCT OF BUSINESS PENDING THE ACQUISITION

1. **Conduct of the Business Pending the Acquisition.**

1.1 DURING THE PERIOD FROM THE DATE OF THIS AGREEMENT AND CONTINUING UNTIL THE CLOSING, SEER AGREES THAT SEER SHALL NOT ENGAGE IN ANY BUSINESS WHATSOEVER OTHER THAN IN CONNECTION WITH THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AND SHALL USE COMMERCIALLY REASONABLE EFFORTS TO PRESERVE INTACT ITS BUSINESS AND ASSETS, MAINTAIN ITS ASSETS IN GOOD OPERATING CONDITION AND REPAIR (ORDINARY WEAR AND TEAR EXCEPTED), RETAIN THE SERVICES OF ITS OFFICERS, EMPLOYEES AND INDEPENDENT CONTRACTORS AND USE REASONABLE COMMERCIAL EFFORTS TO KEEP IN FULL FORCE AND EFFECT LIABILITY INSURANCE AND BONDS COMPARABLE IN AMOUNT AND SCOPE OF COVERAGE TO THAT CURRENTLY MAINTAINED WITH RESPECT TO ITS BUSINESS, UNLESS, IN ANY CASE, REGS CONSENTS OTHERWISE IN WRITING.

1.2 DURING THE PERIOD FROM THE DATE OF THIS AGREEMENT AND CONTINUING UNTIL THE CLOSING, REGS AGREES THAT, OTHER THAN IN CONNECTION WITH THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY, IT SHALL CARRY ON ITS BUSINESS ONLY IN THE ORDINARY COURSE OF BUSINESS CONSISTENT WITH PAST PRACTICE, USE COMMERCIALLY REASONABLE EFFORTS TO PRESERVE INTACT THE BUSINESS AND ASSETS AND USE REASONABLE COMMERCIAL EFFORTS TO KEEP IN FULL FORCE AND EFFECT LIABILITY INSURANCE AND BONDS COMPARABLE IN AMOUNT AND SCOPE OF COVERAGE TO THAT CURRENTLY MAINTAINED WITH RESPECT TO THE BUSINESS, UNLESS, IN ANY CASE, SEER CONSENTS OTHERWISE IN WRITING; PROVIDED THAT REGS MAY TAKE ANY AND ALL OF THE ACTIONS LISTED IN SCHEDULE 5.01(B) OF THE REGS DISCLOSURE SCHEDULES AT ANY TIME PRIOR TO OR AFTER THE DATE OF THIS AGREEMENT WITHOUT THE CONSENT OF SEER.

1.3 DURING THE PERIOD FROM THE DATE OF THIS AGREEMENT AND CONTINUING UNTIL THE CLOSING, EACH OF REGS, AND SEER AGREES AS TO ITSELF AND, RESPECTIVELY, THAT EXCEPT AS EXPRESSLY CONTEMPLATED OR PERMITTED BY THIS AGREEMENT, AS DISCLOSED IN SECTION 5.01(C) OF THE REGS DISCLOSURE SCHEDULE OR THE SEER DISCLOSURE SCHEDULE, AS APPLICABLE, OR TO THE EXTENT THAT THE OTHER PARTY SHALL OTHERWISE CONSENT IN WRITING:

(a) They shall not amend nor propose to amend their certificate of incorporation, articles of organization or by-laws or equivalent organizational documents except as contemplated in this Agreement.

(b) They shall not issue, deliver, sell, redeem, acquire, authorize or propose to issue, deliver, sell, redeem, acquire or authorize, any shares of its capital stock of any class, any ownership interests or any securities convertible into, or any rights, warrants or options to acquire, any such shares or convertible securities or other ownership interest, provided that: (1) SEER shall be permitted to issue the shares of SEER Common Stock to be issued to REGS interest holders hereunder, and (2) each party shall be permitted to issue shares of its common stock or ownership interests pursuant to the exercise of stock options, warrants and other convertible securities outstanding as of the date hereof and listed on the REGS Disclosure Schedule or the SEER Disclosure Schedule, as the case may be.

(c) They shall not, nor shall they propose to: (i) declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock or ownership interests or (ii) except with respect to the Reverse Stock Split, reclassify, combine, split, subdivide or redeem, purchase or otherwise acquire, directly or indirectly, any of their capital stock or ownership interests.

(d) Other than dispositions in the ordinary course of business consistent with past practice which would not cause a Material Adverse Effect, individually or in the aggregate, to them and their subsidiaries, taken as a whole, they shall not, nor shall they permit any of their subsidiaries to, sell, lease, encumber or otherwise dispose of, or agree to sell, lease (whether such lease is an operating or capital lease), encumber or otherwise dispose of their assets.

(e) They shall promptly advise the other party hereto in writing of any change in the condition (financial or otherwise), operations or properties, businesses or business prospects of such party or any of their subsidiaries which would result in a Material Adverse Effect.

(f) They shall not permit to occur any (1) change in accounting principles, methods or practices, investment practices, claims, payment and processing practices or policies regarding inter-company transactions, (2) incurrence of Indebtedness or any commitment to incur Indebtedness, any incurrence of a contingent liability, Contingent Obligation or other liability of any type, except for, with respect to REGS, other than obligations related to the acquisition of Inventory in the ordinary course of business consistent with past practices, (3) cancellation of any debt or waiver or release of any contract, right or claim, except for cancellations, waivers and releases in the ordinary course of business consistent with its past practice which do not exceed $50,000 in the aggregate, (4) amendment, termination or revocation of, or a failure to perform obligations or the occurrence of any default under, (a) any contract or agreement (including, without limitation, leases) to which they are or, as of January 3, 2007, were a party, other than in the ordinary course of business consistent with past practice, or (b) any License, (5) execution of termination, severance or similar agreements with any of their officers, directors, employees, agents or independent contractors or (6) entering into any leases of real property or agreement to acquire real property.

2. **No Action.**

During the period from the date of this Agreement and continuing until the Closing, each of SEER and ICG agrees as to itself and, with respect to SEER, that it shall not, permit SEER to take or agree or commit to take any action, (i) that is reasonably likely to make any of its representations or warranties hereunder inaccurate; or (ii) that is prohibited pursuant to the provisions of this Article V.

ADDITIONAL AGREEMENTS

1. **Preparation of Notice to REGS Interest Holders.**

REGS agrees that as promptly as practicable following the date of this Agreement it shall prepare a notice to interest holders describing the Acquisition (the "REGS Notice"). REGS shall use commercially reasonable efforts to cause the REGS Notice to be mailed to its interest holders at the earliest practicable date following such filing.

2. **Access to Information.**

From the date hereof until the Closing or the earlier termination of this Agreement, each party shall give the other party and its respective counsel, accountants, representatives and agents full access, upon reasonable notice and during normal business hours, to such party's facilities and the financial, legal, accounting and other representatives of such party with knowledge of the business and the assets of such party and, upon reasonable notice, shall be furnished all relevant documents, records and other information concerning the business, finances and properties of such party and its subsidiaries that the other party and its respective counsel, accountants, representatives and agents, may reasonably request. No investigation pursuant to this Section 6.02 shall affect or be deemed to modify any of the representations or warranties hereunder or the condition to the obligations of the parties to consummate the Acquisition; it being understood that the investigation will be made for the purposes among others of the board of directors of each party determining in its good faith reasonable business judgment the accuracy of the representations and warranties of the other party. In the event of the termination of this Agreement, each party, if so requested by the other party, will return or destroy promptly every document furnished to it by or on behalf of the other party in connection with the transactions contemplated hereby, whether so obtained before or after the execution of this Agreement, and any copies thereof (except for copies of documents publicly available) which may have been made, and will use reasonable efforts to cause its representatives and any representatives of financial institutions and investors and others to whom such documents were furnished promptly to return or destroy such documents and any copies thereof any of them may have made.

3. **No Shop; Acquisition Proposals**

From the date hereof until the Closing or the earlier termination of this Agreement, neither REGS nor SEER shall, nor shall they authorize or permit any of their respective officers, directors or employees or Subsidiaries or any investment banker, financial advisor, attorney, accountant or other representative retained by it to, solicit, initiate or encourage (including by way of furnishing information), or take any other action to facilitate, any inquiries or the making of any proposal which constitutes, or may reasonably be expected to lead to, any Takeover Proposal (as hereinafter defined), or negotiate with respect to, agree to or endorse any Takeover Proposal (except in any case if the board of directors or special committee of SEER or REGS, as the case may be, determines in good faith, based upon the written opinion of its outside legal counsel, that the failure to do so would constitute a breach of the fiduciary duties of the SEER's or REGS's board of directors or special committee, as the case may be, to its stockholders under applicable law). REGS shall promptly advise SEER and SEER shall promptly advise REGS, as the case may be, orally and in writing of any such inquiries or proposals and shall also promptly advise SEER or REGS, as the case may be, of any developments or changes regarding such inquiries or proposals. REGS and SEER shall immediately cease and cause to be terminated any existing discussions or negotiations with any persons (other than REGS, SEER and ICG) conducted heretofore with respect to any Takeover Proposal. REGS and SEER agree not to release (by waiver or otherwise) any third party from the provisions of any confidentiality or standstill agreement to which REGS or SEER is a party to.

4. **Legal Conditions to Acquisition; Reasonable Efforts.**

Each of REGS and SEER shall take all reasonable actions necessary to comply promptly with all legal requirements which may be imposed on itself with respect to the Acquisition and will promptly cooperate with and furnish information to each other in connection with any such requirements imposed upon any of them or any of their Subsidiaries in connection with the Acquisition. Each of REGS and SEER will take all reasonable actions necessary to obtain (and will cooperate with each other in obtaining) any consent, authorization, order or approval of, or any exemption by, any Governmental Entity or other public or private third party, required to be obtained or made by REGS, or SEER or ICG in connection with the Acquisition or the taking of any action contemplated thereby or by this Agreement.

5. **Public Announcements and Filings.**

Each party shall give the other a reasonable opportunity to comment upon, and, unless disclosure is required, in the opinion of counsel, by applicable law, approve (which approval shall not be unreasonably withheld), all press releases or other public communications of any sort relating to this Agreement or the transactions contemplated hereby.

6. **Tax Treatment.**

SEER and REGS shall each report the Acquisition as a tax-free contribution to a controlled corporation or in any manner as further agreed after consultation with their respective financial advisors, and shall not take, and shall use commercially reasonable efforts to prevent any of their respective Subsidiaries or affiliates from taking, any actions that could prevent the Acquisition from qualifying, as tax free under the provisions of Section 351 of the Code.

7. **Tax Matters.**

7.1 REGS SHALL PREPARE AND FILE ON A TIMELY BASIS ALL TAX RETURNS WHICH ARE DUE TO BE FILED WITH RESPECT TO REGS (GIVING EFFECT TO ANY EXTENSION OF TIME) ON OR PRIOR TO THE CLOSING DATE. SEER SHALL BE RESPONSIBLE FOR THE PREPARATION AND FILING OF ALL TAX RETURNS WHICH ARE DUE TO BE FILED (GIVING EFFECT TO ANY EXTENSION OF TIME) AFTER THE CLOSING DATE, BUT REGS SHALL USE BEST EFFORTS TO CONDUCT ITS AFFAIRS SUCH THAT ANY TAX RETURNS DUE AFTER THE CLOSING DATE CAN BE FILED ON A TIMELY BASIS.

7.2 FROM THE DATE HEREOF UNTIL THE CLOSING OR THE EARLIER TERMINATION OF THIS AGREEMENT, WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER PARTY OR IF REQUIRED IN THE OPINION OF COUNSEL, NEITHER SEER NOR REGS SHALL MAKE OR CHANGE ANY ELECTION, CHANGE AN ANNUAL ACCOUNTING PERIOD, ADOPT OR CHANGE ANY ACCOUNTING METHOD, FILE ANY AMENDED TAX RETURN, ENTER INTO ANY CLOSING AGREEMENT, SETTLE ANY TAX CLAIM OR ASSESSMENT RELATING TO IT, SURRENDER ANY RIGHT TO CLAIM A REFUND OF TAXES, CONSENT TO ANY EXTENSION OR WAIVER OF THE LIMITATION PERIOD APPLICABLE TO ANY TAX CLAIM OR ASSESSMENT RELATING TO IT, OR TAKE ANY OTHER ACTION RELATING TO THE FILING OF ANY TAX RETURN OR THE PAYMENT OF ANY TAX.

8. **Supplements to Schedules.**

Prior to the Closing, REGS will supplement or amend the disclosure schedule with respect to any matter hereafter arising which, if existing or occurring at the date of this Agreement, would have been required to be set forth or described in such disclosure schedule. No supplement to or amendment of the disclosure schedule made pursuant to this Section 6.08 shall be deemed to cure any breach of any representation or warranty made in this Agreement unless the other parties hereto specifically agree thereto in writing. Prior to the Closing, SEER may supplement or amend its disclosure schedule with respect to any matter which, if existing or occurring at the date of this Agreement, would have been required to be set forth or described in such disclosure schedule. No supplement to or amendment of the disclosure schedule made pursuant to this Section 6.08 shall be deemed to cure any breach of any representation or warranty made in this Agreement unless the other parties hereto specifically agree thereto in writing.

SECTION 6.09. Board Membership

ICG shall have the irrevocable right to designate a Board member who will be appointed to SEER's Board post-Acquisition and post-closing, which will have a total of no more than seven members, at least three (3) of whom shall be an "independent director" as defined by the AMEX listing requirements.

CONDITIONS OF THE ACQUISITION

1. **Conditions to Each Party's Obligation to Effect the Acquisition.**

The respective obligations of each party to effect the Acquisition and the other transactions contemplated herein shall be subject to the satisfaction at or prior to the Closing of the following conditions, any or all of which may be waived, in whole or in part to the extent permitted by applicable law:

1.1 OWNERSHIP INTEREST/STOCKHOLDER APPROVAL. THIS AGREEMENT SHALL HAVE BEEN DULY ADOPTED AND APPROVED BY THE HOLDERS OF (I) A MAJORITY OF THE OUTSTANDING REGS OWNERSHIP INTERESTS; AND (II) A MAJORITY OF THE OUTSTANDING SHARES OF CAPITAL STOCK OF SEER.

1.2 NO INJUNCTIONS OR RESTRAINTS. NO GOVERNMENTAL AUTHORITY OF COMPETENT JURISDICTION SHALL HAVE ENACTED, ISSUED, PROMULGATED, ENFORCED OR ENTERED ANY STATUTE, RULE, REGULATION, EXECUTION ORDER, DECREE, INJUNCTION OR OTHER ORDER (WHETHER TEMPORARY, PRELIMINARY OR PERMANENT) WHICH IS IN EFFECT AND WHICH MATERIALLY RESTRICTS, PREVENTS OR PROHIBITS CONSUMMATION OF THE ACQUISITION OR ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT; PROVIDED, HOWEVER, THAT THE PARTIES SHALL USE THEIR REASONABLE COMMERCIAL EFFORTS TO CAUSE ANY SUCH DECREE, JUDGMENT, INJUNCTION OR OTHER ORDER TO BE VACATED OR LIFTED.

2. **Additional Conditions of Obligations of SEER.**

The obligations of SEER and ICG to effect the Acquisition and the other transactions contemplated by this Agreement are also subject to the satisfaction at or prior to the Closing Date of the following additional conditions unless waived by SEER:

2.1 *REPRESENTATIONS AND WARRANTIES.* THE REPRESENTATIONS AND WARRANTIES OF REGS SET FORTH IN THIS AGREEMENT SHALL BE TRUE AND CORRECT IN ALL MATERIAL RESPECTS (EXCEPT FOR THOSE REPRESENTATIONS AND WARRANTIES QUALIFIED BY MATERIALITY, WHICH SHALL BE TRUE AND CORRECT IN ALL RESPECTS) AS OF THE DATE OF THIS AGREEMENT AND AS OF THE CLOSING DATE AS THOUGH MADE ON AND AS OF THE CLOSING DATE, EXCEPT AS OTHERWISE CONTEMPLATED BY THIS AGREEMENT.

2.2 *PERFORMANCE OF OBLIGATIONS OF REGS.* REGS SHALL HAVE PERFORMED IN ALL MATERIAL RESPECTS ALL CONDITIONS, COVENANTS, AGREEMENTS AND OBLIGATIONS REQUIRED TO BE PERFORMED BY IT UNDER THIS AGREEMENT AT OR PRIOR TO THE CLOSING DATE.

2.3 *NO MATERIAL ADVERSE CHANGE TO REGS.* FROM THE DATE HEREOF THROUGH AND INCLUDING THE TIME OF CLOSING, NO EVENT SHALL HAVE OCCURRED WHICH WOULD HAVE A REGS MATERIAL ADVERSE EFFECT.

2.4 *THIRD PARTY CONSENTS.* REGS SHALL HAVE OBTAINED ALL CONSENTS AND APPROVALS, REQUIRED TO BE OBTAINED PRIOR TO OR AT THE CLOSING DATE, FROM THIRD PARTIES OR GOVERNMENTAL AND REGULATORY AUTHORITIES IN CONNECTION WITH THE EXECUTION, DELIVERY AND PERFORMANCE BY REGS OF THIS AGREEMENT AND THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY.

(E) *NO GOVERNMENTAL ORDER OR OTHER PROCEEDING OR LITIGATION*. NO ORDER OF ANY GOVERNMENTAL ENTITY SHALL BE IN EFFECT THAT RESTRAINS OR PROHIBITS THE TRANSACTIONS CONTEMPLATED HEREBY AND BY THE OTHER TRANSACTION DOCUMENTS, AND NO SUIT, ACTION OR OTHER PROCEEDING BY ANY GOVERNMENTAL ENTITY SHALL HAVE BEEN INSTITUTED OR THREATENED WHICH SEEKS TO RESTRAIN OR PROHIBIT THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(F) *DISSENTERS' RIGHTS*. HOLDERS OF NOT MORE THAN 10% OF THE AGGREGATED AMOUNT OF REGS OWNERSHIP INTERESTS SHALL HAVE ELECTED TO EXERCISE ANY APPRAISAL RIGHTS OR SIMILAR RIGHTS WITHIN THE LAW OF THE STATE OF COLORADO, WHICH DEMAND WAS NOT WITHDRAWN OR TERMINATED AS OF THE CLOSING DATE.

(G) *REGS INDEBTEDNESS.* OTHER THAN NOTED ON THE REGS DISCLOSURE SCHEDULE, ALL OUTSTANDING INDEBTEDNESS, EXCEPT TRADE PAYABLES, ORDINARY EQUIPMENT FINANCING, ORDINARY REVOLVING FACTORING DEBT, AND CERTAIN REDROCK INDEBTEDNESS INCURRED IN CONNECTION TO THE RESCISSION (INDEBTEDNESS) SHALL HAVE BEEN FULLY PAID AND/OR A SETTLEMENT IN SHARES TO BE ISSUED AT THE CLOSING SHALL HAVE BEEN AGREED TO AND ICG AND SEER SHALL HAVE RECEIVED EVIDENCE OF SUCH REPAYMENT OR AGREEMENT IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO ICG AND SEER. REGS CAN AGREE TO THE ISSUANCE OF UP TO 659,515 COMMON SHARES OF SEER TO DEBT HOLDERS TO SETTLE THE INDEBTEDNESS AND SUCH SHARES ARE TO BE ISSUED AT CLOSING (OR REASONABLY SHORTLY THEREAFTER).

(H) *DELIVERIES.*

At the Closing, REGS shall have delivered to SEER:

(a) a certificate, dated the Closing Date, signed on behalf of REGS by the Chief Executive Officer of REGS, certifying as to the fulfillment of the conditions specified in subsections (a), (b) and (c) of this Section 7.02;

(b) the consents set forth in Section 4.04 of the REGS Disclosure Schedule;

(c) true, correct and complete copies of (1) the articles of organization or other charter document, as amended to date, of REGS, certified as of a recent date by the Secretary of State or other appropriate official of the state or other jurisdiction of the organization of REGS, (2) the by-laws or other similar organizational document of REGS, and (3) resolutions duly and validly adopted by the Board of Directors and interest holders of REGS evidencing the authorization of the execution and delivery of this Agreement, the other Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, in each case, accompanied by a certificate of the Secretary or Assistant Secretary of REGS, dated as of the Closing Date, stating that no amendments have been made thereto from the date thereof through the Closing Date; and

(d) good standing certificates for REGS from the Secretary of State or other appropriate official of their respective states or other jurisdiction of organization and from the Secretary of State or other appropriate official of each other jurisdiction in which the operation of the business in such jurisdiction requires REGS to qualify to do business as a foreign LLC, in each case dated as of a recent date prior to the Closing Date;

3. **Additional Conditions of Obligations of REGS.**

The obligation of REGS to effect the Acquisition and the other transactions contemplated by this Agreement is also subject to the satisfaction at or prior to the Closing Date of the following additional conditions unless waived by REGS:

3.1 *REPRESENTATIONS AND WARRANTIES.* THE REPRESENTATIONS AND WARRANTIES OF ICG AND SEER SET FORTH IN THIS AGREEMENT SHALL BE TRUE AND CORRECT IN ALL MATERIAL RESPECTS (EXCEPT FOR THOSE REPRESENTATIONS AND WARRANTIES QUALIFIED BY MATERIALITY) AS OF THE DATE OF THIS AGREEMENT AND AS OF THE CLOSING DATE AS THOUGH MADE ON AND AS OF THE CLOSING DATE, EXCEPT AS OTHERWISE CONTEMPLATED BY THIS AGREEMENT.

3.2 *PERFORMANCE OF OBLIGATIONS OF ICG AND SEER.* ICG AND SEER SHALL HAVE PERFORMED IN ALL MATERIAL RESPECTS ALL CONDITIONS, COVENANTS, AGREEMENTS AND OBLIGATIONS REQUIRED TO BE PERFORMED BY THEM UNDER THIS AGREEMENT AT OR PRIOR TO THE CLOSING DATE.

(C) *NO MATERIAL ADVERSE CHANGE TO SEER*. FROM THE DATE HEREOF THROUGH AND INCLUDING THE TIME OF CLOSING, NO EVENT SHALL HAVE OCCURRED WHICH WOULD HAVE A SEER MATERIAL ADVERSE EFFECT.

(D) *THIRD PARTY CONSENTS.* SEER SHALL HAVE OBTAINED ALL CONSENTS AND APPROVALS REQUIRED TO BE OBTAINED PRIOR TO OR AT THE CLOSING DATE FROM THIRD PARTIES OR GOVERNMENTAL AND REGULATORY AUTHORITIES IN CONNECTION WITH THE EXECUTION, DELIVERY AND PERFORMANCE BY SEER OF THIS AGREEMENT AND THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREBY.

(E) *NO GOVERNMENTAL ORDER OR OTHER PROCEEDING OR LITIGATION*. NO ORDER OF ANY GOVERNMENTAL ENTITY SHALL BE IN EFFECT THAT RESTRAINS OR PROHIBITS THE TRANSACTIONS CONTEMPLATED HEREBY AND BY THE OTHER TRANSACTION DOCUMENTS, AND NO SUIT, ACTION OR OTHER PROCEEDING BY ANY GOVERNMENTAL ENTITY SHALL HAVE BEEN INSTITUTED OR THREATENED WHICH SEEKS TO RESTRAIN OR PROHIBIT THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

(F) *REVERSE STOCK SPLIT AND NAME CHANGE*. THE REVERSE STOCK SPLIT ON A ONE-FOR-4 BASIS AND NAME CHANGE OF SEER HAS BEEN CONSUMMATED AND IS EFFECTIVE TO STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

(G) *DELIVERIES.*

At the Closing, SEER shall have delivered to REGS:

(a) certificates, dated the Closing Date, signed on behalf of each of SEER and SEER by the President of each of SEER and Acquisition, certifying as to the fulfillment of the conditions specified in subsections (a), (b) and (c) of this Section 7.03;

(b) the consents set forth in Section 3.04 of the SEER Disclosure Schedule;

(c) true, correct and complete copies of (1) the certificate of incorporation or other charter document, as amended to date, of SEER, certified as of a recent date by the Secretary of State or other appropriate official of the state or other jurisdiction of incorporation of such company, (2) the by-laws or other similar organizational document of SEER, and (3) resolutions duly and validly adopted by the Board of Directors of each of ICG and SEER evidencing the authorization of the execution and delivery of this Agreement, the other Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, in each case, accompanied by a certificate of the Secretary of SEER, dated as of the Closing Date, stating that no amendments have been made thereto from the date thereof through the Closing Date; and

(d) good standing certificates for SEER from the Secretary of State or other appropriate official of their respective states or other jurisdiction of incorporation and from the Secretary of State or other appropriate official of each other jurisdiction in which the operation of the business in such jurisdiction requires SEER to qualify to do business as a foreign corporation, in each case dated as of a recent date prior to the Closing Date.

TERMINATION

1. **Termination.**

This Agreement may be terminated at any time prior to the Closing, by ICG, SEER or REGS as set forth below:

1.1 BY MUTUAL CONSENT OF THE BOARDS OF DIRECTORS OF ICG, SEER AND REGS; OR

1.2 BY SEER UPON WRITTEN NOTICE TO REGS, IF: (A) ANY CONDITION TO THE OBLIGATION OF SEER TO CLOSE CONTAINED IN ARTICLE VII HEREOF HAS NOT BEEN SATISFIED BY JANUARY 31, 2008 (THE "END DATE") (UNLESS SUCH FAILURE IS THE RESULT OF SEER' BREACH OF ANY OF ITS REPRESENTATIONS, WARRANTIES, COVENANTS OR AGREEMENTS CONTAINED HEREIN) OR (B) THE SEER STOCKHOLDERS DO NOT APPROVE THE ACQUISITION; OR

1.3 BY REGS UPON WRITTEN NOTICE TO SEER, IF: (A) ANY CONDITION TO THE OBLIGATION OF REGS TO CLOSE CONTAINED IN ARTICLE VII HEREOF HAS NOT BEEN SATISFIED BY THE END DATE (UNLESS SUCH FAILURE IS THE RESULT OF REGS'S BREACH OF ANY OF ITS REPRESENTATIONS, WARRANTIES, COVENANTS OR AGREEMENTS CONTAINED HEREIN); OR (B) THE REGS INTEREST HOLDERS DO NOT APPROVE THE ACQUISITION; OR

1.4 BY SEER IF THE BOARD OF DIRECTORS OR SPECIAL COMMITTEE OF SEER DETERMINES IN GOOD FAITH, BASED UPON THE WRITTEN OPINION OF ITS OUTSIDE LEGAL COUNSEL, THAT THE FAILURE TO TERMINATE THIS AGREEMENT WOULD CONSTITUTE A BREACH OF THE FIDUCIARY DUTIES OF THE SEER BOARD OF DIRECTORS OR SPECIAL COMMITTEE TO THE SEER STOCKHOLDERS UNDER APPLICABLE LAW; OR

1.5 BY REGS IF THE MANAGERS, OR BOARD OF DIRECTORS OR A SPECIAL COMMITTEE OF REGS DETERMINES IN GOOD FAITH, BASED UPON THE WRITTEN OPINION OF ITS OUTSIDE LEGAL COUNSEL, THAT THE FAILURE TO TERMINATE THIS AGREEMENT WOULD CONSTITUTE A BREACH OF THE FIDUCIARY DUTIES OF THE REGS MANAGERS, OR BOARD OF DIRECTORS OR SPECIAL COMMITTEE TO THE REGS STOCKHOLDERS UNDER APPLICABLE LAW.

2. **Fees and Expenses.**

Whether or not the Acquisition is consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expense, and, in connection therewith, each of SEER and REGS shall pay, with its own funds and not with funds provided by the other party, any and all property or transfer taxes imposed on such party.

SURVIVAL OF REPRESENTATIONS AND WARRANTIES

None of the representations and warranties of the parties set forth in this Agreement shall survive the Closing. Following the Closing Date with respect to any particular representation or warranty, no party hereto shall have any further liability with respect to such representation and warranty. None of the covenants, agreements and obligations of the parties hereto shall survive the Closing.

MISCELLANEOUS

1. **Notices.**

All notices, requests and other communications to any party hereunder shall be in writing (including telecopy, telex or similar writing) and shall be deemed given or made as of the date delivered, if delivered personally or by telecopy (provided that delivery by telecopy shall be followed by delivery of an additional copy personally, by mail or overnight courier), one day after being delivered by overnight courier or three days after being mailed by registered or certified mail (postage prepaid, return receipt requested), to the parties at the following addresses:

if to ICG & SEER to:

INFINITY CAPITAL GROUP, INC.

80 Broad St., 5th Floor
New York, NY 10004
Attention:
Fax: (212) 962-4422

with a copy to (which shall not constitute notice):
Michael Littman, Esq.
7609 Ralston Road
Arvada, CO 80002
Fax: (303) 431-1567

if to REGS, to:

REGS, LLC
Attention: J. John Combs III
7801 Brighton Road
Commerce City, CO 80022
Fax: (303) 295-6498

with a copy to (which shall not constitute notice):

Christopher H. Dieterich, Esq.
Dieterich & Mazarei
11300 West Olympic Boulevard, Suite 800
Los Angeles, California 90064

or such other address or telex or telecopy number as such party may hereafter specify for the purpose by notice to the other party hereto.

2. **Amendment; Waiver.**

This Agreement may be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may be given, provided that the same are in writing and signed by or on behalf of the parties hereto.

3. **Successors and Assigns.**

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, provided that no party shall assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the written consent of the other party hereto.

4. **Governing Law.**

This Agreement shall be construed in accordance with and governed by the law of the State of Nevada without regard to principles of conflict of laws.

5. **Waiver of Jury Trial.**

Each party hereto hereby irrevocably and unconditionally waives any rights to a trial by jury in any legal action or proceeding in relation to this Agreement and for any counterclaim therein.

6. **Consent to Jurisdiction.**

Each of the Parties hereby irrevocably and unconditionally submits to the exclusive jurisdiction of any court of the State of Colorado or any federal court sitting in Colorado for purposes of any suit, action or other proceeding arising out of this Agreement and the Transaction Documents (and agrees not to commence any action, suit or proceedings relating hereto or thereto except in such courts). Each of the Parties agrees that service of any process, summons, notice or document pursuant to the laws of the State of Colorado and on the individuals designated in Section 10.01 shall be effective service of process for any action, suit or proceeding brought against it in any such court.

7. **Counterparts; Effectiveness.**

Facsimile transmissions of any executed original document and/or retransmission of any executed facsimile transmission shall be deemed to be the same as the delivery of an executed original. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

8. **Entire Agreement; No Third Party Beneficiaries; Rights of Ownership.**

Except as expressly provided herein, this Agreement (including the documents and the instruments referred to herein) constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. Except as expressly provided herein, this Agreement is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder. The parties hereby acknowledge that no person shall have the right to acquire or shall be deemed to have acquired shares of common stock or ownership interests of the other party pursuant to the Acquisition until consummation thereof.

9. **Headings.**

The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

10. **No Strict Construction.**

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises under any provision of this Agreement, this Agreement shall be construed as if drafted jointly by the parties thereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

11. **Severability.**

If any term or other provision of this Agreement is invalid, illegal or unenforceable, all other provisions of this Agreement shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in a manner that is materially adverse to any party.

DEFINITIONS

"Acquisition" shall have the meaning set forth in the recitals of this Agreement.

"Affiliate" shall mean (a) with respect to an individual, any member of such individual's family including lineal ancestors and descendents; (b) with respect to an entity, any officer, director, stockholder, partner, manager, investor or holder of an ownership interest of or in such entity or of or in any Affiliate of such entity; and (c) with respect to a Person, any Person which directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Person or entity.

"Agreement" shall have the meaning set forth in the preamble to this Agreement.

"CRS" shall have the meaning set forth in the recitals of this Agreement.

"Certificates" shall have the meaning set forth in Section 1.05(a) of this Agreement.

"Closing" shall have the meaning set forth in Section 2.01 of this Agreement.

"Closing Date" shall have the meaning set forth in Section 2.01 of this Agreement.

"Code" shall have the meaning set forth in the recitals of this Agreement.

"Contingent Obligation" as to any Person shall mean the undrawn face amount of any letters of credit issued for the account of such Person and shall also mean any obligation of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness, leases, dividends, letters of credit or other obligations ("Primary Obligations") of any other Person (the "Primary Obligor") in any manner, whether directly or indirectly, including, without limitation, any obligation of such Person, whether or not contingent, (a) to purchase any such Primary Obligation or any property constituting direct or indirect security therefore, (b) to advance or supply funds (i) for the purchase or payment of any such Primary Obligation or (ii) to maintain working capital or equity capital of the Primary Obligor or otherwise to maintain the financial condition or solvency of the Primary Obligor, (c) to purchase property, securities or services primarily for the purpose of assuring the obligee under any such Primary Obligation of the ability of the Primary Obligor to make payment of such Primary Obligation, or (d) otherwise to assure or hold harmless the obligee under such Primary Obligation against loss in respect thereof; provided, however, that the term Contingent Obligation shall not include endorsements of instruments for deposit or collection in the ordinary course of business.

"Contracts" shall mean all contracts, leases, subleases, notes, bonds, mortgages, indentures, Permits and Licenses, non-competition agreements, joint venture or partnership agreements, powers of attorney, purchase orders, and all other agreements, arrangements and other instruments, in each case whether written or oral, to which such Person is a party or by which any of them or any of its assets are bound.

"Conversion Amount" shall mean one share of SEER stock for one REGS ownership interest; the total amount issued upon conversion shall equal 18,282,630 shares of SEER Common Stock.

"End Date" shall have the meaning set forth in Section 8.01 of this Agreement.

"Governmental Approval" shall mean the consent, approval, order or authorization of, or registration, declaration or filing with any court, administrative agency or commission or other Governmental Entity, authority or instrumentality, domestic or foreign.

"Governmental Entity" means the government of the United States of America, any other nation or any political subdivision thereof, whether foreign, state or local, and any agency, authority, instrumentality, regulatory body, court, tribunal, arbitrator, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Indebtedness" shall mean as to any Person and whether recourse is secured by or is otherwise available against all or only a portion of the assets of such Person and whether or not contingent, but without duplication: (a) every obligation of such Person for money borrowed; (b) every obligation of such Person evidenced by bonds, debentures, notes or other similar instruments, including obligations incurred in connection with the acquisition of property, assets or businesses; (c) every reimbursement obligation of such Person with respect to letters of credit, bankers' acceptances or similar facilities issued for the account of such Person; (d) every obligation of such Person issued or assumed as the deferred purchase price of property or services (including securities repurchase agreements but excluding trade accounts payable or accrued liabilities arising in the ordinary course of business which are not more than 120 days overdue or which are being contested in good faith by appropriate proceedings and for which adequate reserves have been provided in accordance with GAAP); (e) every Capital Lease Obligation of such Person; (f) any obligation of such Person to pay any discount, interest, fees, indemnities, penalties, recourse, expenses or other amounts in connection with any sales by such Person unless such sales are on a non-recourse basis (as to collectibility) of (i) accounts or general intangibles for money due or to become due, (ii) chattel paper, instruments or documents creating or evidencing a right to payment of money or (iii) other receivables, whether pursuant to a purchase facility or otherwise, other than in connection with the disposition of the business operations of such Person relating thereto or a disposition of defaulted receivables for collection and not as a financing arrangement; (g) every obligation of such Person under any forward contract, futures contract, swap, option or other financing agreement or arrangement (including, without limitation, caps, floors, collars and similar agreements), the value of which is dependent upon interest rates, currency exchange rates, commodities or other indices (a "derivative contract"); (h) every obligation in respect of Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent that such Person is liable therefore as a result of such Person's ownership interest in or other relationship with such entity, except to the extent that the terms of such Indebtedness provide that such Person is not liable therefore and such terms are enforceable under applicable law; and (i) every Contingent Obligation of such Person with respect to Indebtedness of another Person.

"Interest" shall refer to a Limited Liability Company Interest as defined in the context of a sentence, and "Interest Holder" will be a holder of that Interest

"Laws" shall mean all foreign, federal, state and local statutes, laws, ordinances, regulations, rules, resolutions, orders, writs, injunctions, judgments and decrees applicable to the specified Person and to the businesses and assets thereof.

"License" shall mean any franchise, authorization, license, permit, certificate of occupancy, easement, variance, exemption, certificate, consent or approval of any Governmental Entity or other Person.

"Lien" shall mean any mortgage, pledge, assessment, security interest, lease, lien, adverse claim, levy, charge or other encumbrance of any kind.

"NRS" shall have the meaning set forth in the recitals of this Agreement.

"Person" shall mean any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, limited liability company, association, corporation, institution, entity, party, Governmental Entity or any other juridical entity of any kind or nature whatsoever.

"Post-Closing Tax Period" means a taxable period (or portion thereof) that begins after the Closing Date.

"REGS" shall have the meaning set forth in the preamble to this Agreement and will constitute the combination of Tactical and REGS for purposes of this Agreement

"Resource Environmental Group Services" shall mean REGS, LLC, a Colorado limited liability company.

Material Adverse Effect" shall mean an event or change, individually or in the aggregate with other events or changes, that could reasonably be expected to have a material adverse effect on (a) the business, properties, prospects, condition (financial or otherwise) or results of operations of the entity taken as a whole (other than those events, changes or effects resulting from general economic conditions or the industry in which any party is engaged generally) or (b) the ability of any party to consummate the transactions contemplated hereby.

"SEER" shall have the meaning set forth in the preamble to this Agreement.

"SEER Common Stock" shall have the meaning set forth in the recitals to this agreement.

"SEER Common Stock Equivalents" shall have the meaning set forth in Section 3.02 of this Agreement.

"Subsidiary" shall mean any Person in which another Person, directly or indirectly, owns 50% of either the equity interests in or voting control of, such Person.

"Takeover Proposal" shall mean any proposal for a tender or exchange offer, Acquisition, consolidation, sale of all or substantially all of such party's assets, sale of in excess of fifteen percent of the shares of capital stock or other business combination involving such party or any proposal or offer to acquire in any manner a substantial equity interest (including any interest exceeding fifteen percent of the equity outstanding) in, or all or substantially all of the assets of, such party other than the transactions contemplated by this Agreement.

"Taxes" means all federal, state, county, local, municipal, foreign and other taxes, assessments, duties or similar charges of any kind whatsoever, including all corporate franchise, income, gross receipts, occupation, windfall profits, sales, use, ad valorem, value-added, profits, license, withholding, payroll, employment, excise, premium, real property, personal property, customs, net worth, capital gains, transfer, stamp, documentary, social security, disability, environmental, alternative minimum, recapture and other taxes, and including all interest, penalties and additions imposed with respect thereto, whether disputed or not and including any obligations to indemnify or otherwise assume or succeed to the Tax liability of any Person, and any liability in respect of any Tax as a result of being a member of any affiliated, combined, consolidated, unitary or similar group.

"Tax Return" means any report, return, statement, estimate, informational return, declaration or other written information required to be supplied to a taxing authority in connection with Taxes.

"Taxing Authority" means any domestic, foreign, federal, national, state, county or municipal or other local government, any subdivision, agency, commission or authority thereof, or any quasi-governmental body exercising tax regulatory authority.

"Tactical" shall mean Tactical Cleaning Company, LLC"

"Transaction Documents" shall mean this Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Acquisition Agreement to be duly executed as of the day and year first above written.

INFINITY CAPITAL GROUP, INC.

By: /s/ Gregory H. Laborde
Name: Gregory H. Laborde
Title: President

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

By: /s/ Gregory H. Laborde
Name: Gregory H. Laborde
Title: President

REGS, LLC

By: /s/ J. John Combs
Name: J. John Combs
Title:Vice President

TACTICAL CLEANING COMPANY, LLC

By: /s/ J. John Combs
Name: J. John Combs
Title:Vice President

REGS/Tactical Capitalization Sheet

Cardillo Enterprises, Inc.	7,216,315	0.394709
J. John Combs III	7,216,315	0.394709
Private Investment Partners/ Steve Bathgate	1,050,000	0.057432
Russ Coburn	100,000	0.00547
Chris Dieterich	200,000	0.010939
Nigel Hunter	1,250,000	0.068371
Ahmed Al-Neama	1,250,000	0.068371
Total Shares Outstanding	18,282,630	

Debt Type	Company	Lender Name	Amount Due
Capital Leases			
	REGS	Creekridge Capital	5,096.94
	REGS	Park Western Lease 358601	30,191.25
	REGS	Park Western Lease 358602	10,131.85
	REGS	Park Western Lease 358603	16,886.41
	REGS	Park Western Lease 358604	18,288.73
	REGS	Marlin Lease 001-0185486-002	7,031.71
	REGS	Marlin Lease 001-0185486-003	10,754.24
		Total Capital Leases	98,381.13
Notes Payable			
	REGS	Horizon Bank 15	447,925.14
	REGS	Horizon Bank 25	7,607.53
	REGS	John Deere	16,743.73
	REGS	Infinity Capital	50,000.00
	REGS	Jamie Temple	90,793.30
	REGS	Steve Bathgate	100,000.00
	REGS	GMAC 46679	775.98
	REGS	GMAC 47250	775.98
	REGS	GMAC 05440	5,222.18
	REGS	GMAC 73168	3,229.24
	TCC	Wells Fargo	103,636.63
	REGS	Redrock	1,070,000.00
		Total Notes Payable	1,896,709.71

Exhibit 14.1

Code of Ethics and Business Conduct for Officers, Directors and Employees

of

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

1. TREAT IN AN ETHICAL MANNER THOSE TO WHOM THE COMPANY. HAS AN OBLIGATION.

The officers, directors and employees of COMPANY (the "Company") are committed to honesty, just management, fairness, providing a safe and healthy environment free from the fear of retribution, and respecting the dignity due everyone. For the communities in which we live and work we are committed to observe sound environmental business practices and to act as concerned and responsible neighbors, reflecting all aspects of good citizenship. For our shareholders we are committed to pursuing sound growth and earnings objectives and to exercising prudence in the use of our assets and resources. For our suppliers and partners we are committed to fair competition and the sense of responsibility required of a good customer and teammate.

2. PROMOTE A POSITIVE WORK ENVIRONMENT.

All employees want and deserve a workplace where they feel respected, satisfied, and appreciated. We respect cultural diversity and will not tolerate harassment or discrimination of any kind -- especially involving race, color, religion, gender, age, national origin, disability, and veteran or marital status. Providing an environment that supports honesty, integrity, respect, trust, responsibility, and citizenship permits us the opportunity to achieve excellence in our workplace. While everyone who works for the Company must contribute to the creation and maintenance of such an environment, our executives and management personnel assume special responsibility for fostering a work environment that is free from the fear of retribution and will bring out the best in all of us. Supervisors must be careful in words and conduct to avoid placing, or seeming to place, pressure on subordinates that could cause them to deviate from acceptable ethical behavior.

3. PROTECT YOURSELF, YOUR FELLOW EMPLOYEES, AND THE WORLD WE LIVE IN.

We are committed to providing a drug-free, safe and healthy work environment, and to observing environmentally sound business practices. We will strive, at a minimum, to do no harm and where possible, to make the communities in which we work a better place to live. Each of us is responsible for compliance with environmental, health and safety laws and regulations.

4. KEEP ACCURATE AND COMPLETE RECORDS.

We must maintain accurate and complete Company records. Transactions between the Company and outside individuals and organizations must be promptly and accurately entered in our books in accordance with generally accepted accounting practices and principles. No one should rationalize or even consider misrepresenting facts or falsifying records. It will not be tolerated and will result in disciplinary action.

5. OBEY THE LAW.

We will conduct our business in accordance with all applicable laws and regulations. Compliance with the law does not comprise our entire ethical responsibility. Rather, it is a. minimum, absolutely essential condition for performance of our duties. In conducting business, we shall:

a. STRICTLY ADHERE TO ALL ANTITRUST LAWS. Officer, directors and employees must strictly adhere to all antitrust laws. Such laws exist in the United States and in many other countries where the Company may conduct business. These laws prohibit practices in restraint of trade such as price fixing and boycotting suppliers or customers. They also bar pricing intended to run a competitor out of business; disparaging, misrepresenting, or harassing a competitor; stealing trade secrets; bribery; and kickbacks.

b. STRICTLY COMPLY WITH ALL SECURITIES LAWS. In our role as a publicly owned company, we must always be alert to and comply with the security laws and regulations of the United States and other countries.

i. DO NOT ENGAGE IN SPECULATIVE OR INSIDER TRADING. Federal law and Company policy prohibits officers, directors and employees, directly or indirectly through their families or others, from purchasing or selling company stock while in the possession of material, non-public information concerning the Company. This same prohibition applies to trading in the stock of other publicly held companies on the basis of material, non-public information. To avoid even the appearance of impropriety, Company policy also prohibits officers, directors and employees from trading options on the open market in Company stock under any circumstances. Material, non-public information is any information that could reasonably be expected to affect the price of a stock. If an officer, director or employee is considering buying or selling a stock because of inside information they possess, they should assume that such information is material. It is also important for the officer, director or employee to keep in mind that if any trade they make becomes the subject of an investigationby the government, the trade will be viewed after-the-fact with the benefit of hindsight. Consequently, officers, directors and employees should always carefully consider how their trades would look from this perspective. Two simple rules can help protect you in this area: (1) Do not use nonpublic information for personal gain. (2) Do not pass along such information to someone else who has no need to know. This guidance also applies to the securities of other companies for which you receive information in the course of your employment at The Company .

ii. BE TIMELY AND ACCURATE IN ALL PUBLIC REPORTS. As a public company, the Company must be fair and accurate in all reports filed with the United States Securities and Exchange Commission. Officers, directors and management of the Company are responsible for ensuring that all reports are filed in a timely manner and that they fairly present the financial condition and operating results of the Company. Securities laws are vigorously enforced. Violations may result in severe penalties including forced sales of parts of the business and significant fines against the Company. There may also be sanctions against individual employees including substantial fines and prison sentences. The principal executive officer and principal financial Officer will certify to the accuracy of reports filed with the SEC in accordance with the Sarbanes-Oxley Act of 2002. Officers and Directors who knowingly or willingly make false certifications may be subject to criminal penalties or sanctions including fines and imprisonment.

6. AVOID CONFLICTS OF INTEREST.

Our officers, directors and employees have an obligation to give their complete loyalty to the best interests of the Company. They should avoid any action that may involve, or may appear to involve, a conflict of interest with the Company. Officers, directors and employees should not have any financial or other business relationships with suppliers, customers or competitors that might impair, or even appear to impair, the independence of any judgment they may need to make on behalf of the Company. HERE ARE SOME WAYS A CONFLICT OF INTEREST COULD ARISE: Employment by a competitor, or potential competitor, regardless of the nature of the employment, while employed by the Company. Acceptance of gifts, payment, or services from those seeking to do business with the Company. Placement of business with a firm owned or controlled by an officer, director or employee or his/her family. Ownership of, or substantial interest in, a company that is a competitor, client or supplier. Acting as a consultant to the Company, a customer, client or supplier. Seeking the services or advice of an accountant or attorney who has provided services to the Company. Officers, directors and employees are under a continuing obligation to disclose any situation that presents the possibility of a conflict or disparity of interest between the officer, director or employee and the Company. Disclosure of any potential conflict is the key to remaining in full compliance with this policy.

7. COMPETE ETHICALLY AND FAIRLY FOR BUSINESS OPPORTUNITIES.

We must comply with the laws and regulations that pertain to the acquisition of goods and services. We will compete fairly and ethically for all business opportunities. In circumstances where there is reason to believe that the release or receipt of non-public information is unauthorized, do not attempt to obtain and do not accept such information from any source. If you are involved in Company transactions, you must be certain that all statements, communications, and representations are accurate and truthful.

8. AVOID ILLEGAL AND QUESTIONABLE GIFTS OR FAVORS.

The sale and marketing of our products and services should always be free from even the perception that favorable treatment was sought, received, or given in exchange for the furnishing or receipt of business courtesies. Officers, directors and employees of the Company will neither give nor accept business courtesies that constitute, or could be reasonably perceived as constituting, unfair business inducements or that would violate law, regulation or policies of the Company, or could cause embarrassment to or reflect negatively on the Company's reputation.

9. MAINTAIN THE INTEGRITY OF CONSULTANTS, AGENTS, AND REPRESENTATIVES.

Business integrity is a key standard for the selection and retention of those who represent the Company. Agents, representatives and consultants must certify their willingness to comply with the Company's policies and procedures and must never be retained to circumvent our values and principles. Paying bribes or kickbacks, engaging in industrial espionage, obtaining the proprietary data of a third party without authority, or gaining inside information or influence are just a few examples of what could give us an unfair competitive advantage and could result in violations of law.

10. PROTECT PROPRIETARY INFORMATION.

Proprietary Company information may not be disclosed to anyone without proper authorization. Keep proprietary documents protected and secure. In the course of normal business activities, suppliers, customers and competitors may sometimes divulge to you information that is proprietary to their business. Respect these confidences.

11. OBTAIN AND USE COMPANY ASSETS WISELY.

Personal use of Company property must always be in accordance with corporate policy. Proper use of Company property, information resources, material, facilities and equipment is your responsibility. Use and maintain these assets with the utmost care and respect, guarding against waste and abuse, and never borrow or remove Company property without management's permission.

12. FOLLOW THE LAW AND USE COMMON SENSE IN POLITIC CONTRIBUTIONS AND ACTIVITIES.

The Company encourages its employees to become involved in civic affairs and to participate in the political process. Employees must understand, however, that their involvement and participation must be on an individual basis, on their own time and at their own expense. In the United States, federal law prohibits corporations from donating corporate funds, goods, or services, directly or indirectly, to candidates for federal offices -- this includes employees' work time. Local and state laws also govern political contributions and activities as they apply to their respective jurisdictions.

13. BOARD COMMITTEES.

The Company shall establish an Audit Committee empowered to enforce this Code of Ethics. The Audit Committee will report to the Board of Directors at least once each year regarding the general effectiveness of the Company's Code of Ethics, the Company's controls and reporting procedures and the Company's business conduct.

14. DISCIPLINARY MEASURES.

The Company shall consistently enforce its Code of Ethics and Business Conduct through appropriate means of discipline. Violations of the Code shall be promptly reported to the Audit Committee. Pursuant to procedures adopted by it, the Audit Committee shall determine whether violations of the Code have occurred and, if so, shall determine the disciplinary measures to be taken against any employee or agent of the Company who has so violated the Code. The disciplinary measures, which may be invoked at the discretion of the Audit Committee, include, but are not limited to, counseling, oral or written reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, termination of employment and restitution. Persons subject to disciplinary measures shall include, in addition to the violator, others involved in the wrongdoing such as (i) persons who fail to use reasonable care to detect a violation, (ii) persons who if requested to divulge information withhold material information regarding a violation, and (iii) supervisors who approve or condone the violations or attempt to retaliate against employees or agents for reporting violations or violators.

Exhibit 21.1 Subsidiaries of Registrant

Subsidiaries of Strategic Environmental & Energy Resources, Inc.

Resource Environmental Group Services, LLC
Tactical Cleaning Company, LLC
MV, LLC
Paragon Waste Solutions, LLC
BeneFuels, LLC

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, J. John Combs, certify that:

1. I have reviewed this Form 10 for the year ended December 31, 2012, of Strategic Environmental & Energy Resources, 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 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, including its consolidated Subsidiary, 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 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(s) 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 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.

Dated: May 21, 2013

/s/ *J. John Combs*
J. John Combs
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Monty Lamirato, certify that:

1. I have reviewed this Form 10 for the year ended December 31, 2012, of Strategic Environmental & Energy Resources, 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 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(s) 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:

(e) 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, including its consolidated Subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(f) 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 financial statements for external purposes in accordance with generally accepted accounting principles;

(g) 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

(h) 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(s) 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 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.

Dated: May 21, 2013

/s/ *Monty Lamirato*
Monty Lamirato
Acting Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
Pursuant to 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Registration Statement of Strategic Environmental & Energy Resources, Inc. (the "Company") on Form 10 for the annual period ended December 31, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J. John Combs, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) 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 consolidated financial condition and results of operations of the Company.

/s/ *J. John Combs*
J. John Combs
President and Chief Executive Officer
May 21, 2013

EXHIBIT 32.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
Pursuant to 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Registration Statement of Strategic Environmental & Energy Resources, Inc. (the "Company") on Form 10 for the annual period ended December 31, 2012 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Monty Lamirato, Acting Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(3) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(4) The information contained in the Report fairly presents, in all material respects, the consolidated financial condition and results of operations of the Company.

/s/ Monty Lamirato
Monty Lamirato
Acting Chief Financial Officer
May 21, 2013

Exhibit 99.1

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

Consolidated Financial Statements

For the Years Ended December 31, 2012 and 2011

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Strategic Environmental & Energy Resources, Inc.

We have audited the accompanying consolidated balance sheets of Strategic Environmental & Energy Resources, Inc. as of December 31, 2012 and 2011, and the related consolidated statements of operations, stockholders' deficit, and cash flows for the years then ended. Strategic Environmental & Energy Resources, Inc.'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, 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. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Strategic Environmental & Energy Resources, Inc. as of December 31, 2012 and 2011, and the consolidated results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

L J Soldinger Associates, LLC

Deer Park, Illinois

May 7, 2013

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED BALANCE SHEETS

ASSETS	December 31, 2012	December 31, 2011
Current assets:		
Cash	$ 70,400	$ 81,100
Cash - restricted	220,000	
Accounts receivable, net of allowance for doubtful accounts of $92,900 and $299,700, respectively	1,173,800	478,100
Costs and estimated earnings in excess billings on uncompleted contracts	35,500	165,900
Inventory	46,000	2,200
Prepaid expenses and other assets	41,600	41,600
Total current assets	1,587,300	768,900
Property and equipment, net	752,100	796,800
Intangible assets, net	450,900	536,000
Other assets	9,400	9,700
TOTAL ASSETS	$ 2,799,700	$ 2,111,400
LIABILITIES & STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 1,323,300	$ 1,418,900
Accrued liabilities	499,100	469,200
Billings in excess of costs and estimated earnings on uncompleted contracts	327,400	38,000
Current portion of payroll taxes payable	335,400	232,000
Current portion of notes payable and capital lease obligations	319,800	766,800
Notes payable - related parties, including accrued interest	190,400	255,800
Total current liabilities	2,995,400	3,180,700
Payroll taxes payable, net of current portion	745,400	903,600
Notes payable and capital lease obligations, net of current portion	281,600	69,100
Total liabilities	4,022,400	4,153,400
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock; $.001 par value; 5,000,000 shares authorized; -0- shares issued	—	—
Common stock; $.001 par value; 70,000,000 shares authorized; 40,349,400 and 27,484,000 shares issued and outstanding 2012 and 2011, respectively	40,300	27,500
Additional paid-in capital	10,632,200	8,036,600
Stock subscription receivable	(100,000)	—
Accumulated deficit	(11,595,500)	(10,106,100)
Non-controlling interest	(199,700)	—
Total stockholders' deficit	(1,222,700)	(2,042,000)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 2,799,700	$ 2,111,400

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

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the Year Ended December 31,	
Revenue:	2012	2011
Products	$ 1,439,800	$ 1,788,200
Services	5,401,600	4,779,900
Total revenue	6,841,400	6,568,100
Operating expenses:		
Products costs	1,037,800	1,239,000
Services costs	3,297,700	3,208,100
Selling, general and administrative expenses	4,127,200	3,352,300
Total operating expenses	8,462,700	7,799,400
Loss from operations	(1,621,300)	(1,231,300)
Other income (expenses):		
Interest income	1,300	—
Interest expense	(303,900)	(188,100)
Penalties and late fees	(26,200)	(104,600)
Gain (loss) on conversion of debt to equity	305,800	40,900
Gain (loss) on sale of property and equipment	—	(63,200)
Other	(44,800)	(23,600)
Total non-operating expenses, net	(67,800)	(338,600)
Net loss	(1,689,100)	(1,569,900)
Less: Net loss attributable to non-controlling interest	(199,700)	—
Net loss attributable to SEER common stockholders	$ (1,489,400)	$ (1,569,900)
Net loss per share, basic and diluted	$ (0.05)	$ (0.06)
Weighted average shares outstanding – basic and diluted	32,963,000	26,056,100

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

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

	Preferred Stock		Common Stock		Additional Paid-in	Stock Subscription	Accumulated	Non-controlling	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Receivable	Deficit	Interest	Deficit
Balances, January 1, 2011	—	—	24,763,300	$ 24,800	$ 7,336,400	$ —	$ (8,536,200)	$ —	$ (1,175,000)
Sale of common stock and warrants, net of fees			920,000	900	198,100		—		199,000
Issuance of common stock for services			460,000	500	45,900		—		46,400
Issuance of common stock for extension of non-binding agreement			100,000	100	49,900		—		50,000
Issuance of warrants for services					19,900		—		19,900
Stock-based compensation					171,100		—		171,100
Conversion of note payable into common stock			240,700	200	103,300		—		103,500
Issuance of common stock for purchase of asset			1,000,000	1,000	99,000		—		100,000
Debt discount on notes payable					13,000		—		13,000
Net loss							(1,569,900)		(1,569,900)
Balances, December 31, 2011	—	—	27,484,000	27,500	8,036,600	—	(10,106,100)	—	(2,042,000)
Sale of common stock and warrants, net of fees			6,225,000	6,200	1,308,800		—		1,315,000
Sale of common stock and warrants with bridge loans			350,000	300			—		300
Debt discount related to bridge loans					93,900		—		93,900
Conversion of bridge loans and related interest into common stock			1,790,400	1,800	356,200		—		358,000
Conversion of note payable into common stock			900,000	900	147,600		—		148,500
Issuance of common stock for note receivable			500,000	500	99,500	(100,000)	—		—
Issuance of common stock for services			3,100,000	3,100	508,400		—		511,500
Vesting of warrants for services				—	21,200		—		21,200
Stock-based compensation				—	60,000		—		60,000
Net loss							(1,489,400)	(199,700)	(1,689,100)
Balances, December 31, 2012	—	—	40,349,400	$ 40,300	$ 10,632,200	$ (100,000)	$(11,595,500)	$ (199,700)	$ (1,222,700)

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

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS

	For the Year Ended December 31,	
Cash flows from operating activities:	2012	2011
Net loss	$ (1,689,100)	$ (1,569,900)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Provision for doubtful accounts receivable	115,600	330,200
Depreciation and amortization	327,900	399,400
Stock-based compensation expense	592,800	287,400
Loss on sale of property and equipment	—	63,200
Gain on extinguishment of debt	(305,800)	(40,900)
Amortization of debt discount	99,900	7,200
Changes in operating assets and liabilities:		
Cash - restricted	(220,000)	—
Accounts receivable	(816,400)	113,300
Costs in Excess of billings on uncompleted contracts	130,400	(24,000)
Inventory	(43,800)	9,000
Prepaid expenses and other assets	300	84,100
Accounts payable	(28,700)	342,200
Accrued liabilities and related party notes payable accrued interest	156,400	71,900
Billings in excess of revenue on uncompleted contracts	289,400	(170,100)
Payroll taxes payable	(54,700)	22,200
Net cash used in operating activities	(1,445,800)	(74,800)
Cash flows from investing activities:		
Purchase of property and equipment	(76,900)	(100,600)
Proceeds the sale of property and equipment	—	7,500
Net cash used in investing activities	(76,900)	(93,100)
Cash flows from financing activities:		
Proceeds from notes payable	575,000	105,000
Payments of notes payments and capital lease obligations	(308,500)	(173,300)
Proceeds from related party notes payable	—	61,400
Payments of related party notes payable and accrued interest	(69,500)	(15,900)
Proceeds from the sale of common stock and warrants, net of expenses	1,315,000	199,000
Net cash provided by financing activities	1,512,000	176,200
Net increase (decrease) in cash	(10,700)	8,300
Cash at the beginning of year	81,100	72,800
Cash at the end of year	$ 70,400	$ 81,100

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS - Continued

Supplemental disclosures of cash flow information:

Cash paid for interest	$ 74,500	$ 35,800
Supplemental disclosure of noncash financing and investing activities:		
Accounts receivable offset against notes payable	$ 5,000	$ —
Conversion of accounts payable and accrued expenses to notes payable	$ 66,900	$ —
Conversion of accrued interest to note payable	$ —	$ 3,000
Conversion of notes payable and accrued interest to common stock	$ 812,400	$ 144,500
Discount on note payable	$ 99,900	$ 5,700
Disposition of property, equipment, other assets and accounts payable under settlement agreement	$ —	$ 154,800
Purchase of assets under capital leases	$ 121,300	$ 10,200
Purchase of intangible assets for common stock	$ —	$ 100,000
Transfer of prepaid asset to equipment	$ —	$ 1,800

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

NOTE 1 - ORGANIZATION AND FINANCIAL CONDITION

Organization

Strategic Environmental & Energy Resources, Inc. ("SEER", "we" or the "Company"), a Nevada corporation, is a provider of industrial products and services in the environmental, energy, and rail transportation sectors. SEER has three wholly-owned operating subsidiaries which provide industrial services to companies in the petroleum, industrial, manufacturing, and medical industries: REGS, LLC (d/b/a Resource Environmental Group Services ("REGS"))provides mobile cleaning services to refineries and other entities in Colorado, Wyoming, Oklahoma, Kansa and Utah and also operates a site in Utah, on behalf of another company, to treat frac water resulting from oil and gas exploration; Tactical Cleaning Company, LLC ("TCC") provides cleaning services to railcar tankers from its sites in Colorado and Kansas; MV, LLC ("MV"), located in Colorado, designs and builds emission and odor control units for refineries, municipalities and other corporate entities; and two majority-owned subsidiaries, Paragon Waste Solutions, LLC ("PWS") a newly formed operating company, owned 54% by SEER (see Note 7) that is developing specific opportunities to deploy and commercialize certain patent-pending technologies for a cold plasma oxidation process that makes possible the clean destruction of hazardous chemical and biological waste (*i.e*., hospital red bag waste) without traditional incineration with harmful emissions and BeneFuels, LLC ("BeneFuels"), formed in February 2013, owned 90% by SEER and was formed to focus specifically on treating biogas for conversion to pipeline quality gas and/or CNG for fleet vehicles. BeneFuels had no operations as of May 7, 2013.

Principals of Consolidation

The accompanying consolidated financial statements include the accounts of SEER, its wholly-owned subsidiaries, REGS, TCC and MV and its majority-owned subsidiaries PWS and BeneFuels, since their respective acquisition or formation dates. All material intercompany accounts, transactions, and profits have been eliminated in consolidation.

Basis of Presentation- Liquidity

As shown in the accompanying consolidated financial statements, the Company has experienced recurring losses, and has accumulated a deficit of approximately $11.6millionas of December 31, 2012 and for the years ended December 31, 2012, and 2011, we incurred net losses of approximately $1.7million and $1.57 million, respectively. As of December 31, 2012 and 2011, our current liabilities exceeded our current assets by $1.4 million and $2.4 million, respectively, and our total liabilities exceeded our total assets by $1.2 million and $2 million, respectively.

Realization of a major portion of our assets as of December 31, 2012, is dependent upon our continued operations. Accordingly, we have undertaken a number of specific steps to continue to operate as a going concern. In 2012, we raised approximately $1.3 million through the sale of common stock and converted approximately $.5 million in debt to equity. In addition, we have focused on developing organic growth in our operating companies and improving gross and net margins through increased attention to pricing, aggressive cost management and overhead reductions. We made additions to our senior management team to support these initiatives, and focused on streamlining our business model to improve profitability. We also increased our business development efforts in MV to address opportunities identified in expanding markets attributable to increased interest in energy conservation and emission control regulations. For the period January 1, 2013 through April 26, 2013, we raised approximately $516,000 in equity financing through the sale of common stock and management plans to raise additional equity financing through the sale of common stock. There can be no assurance that the Company will achieve the desired result of net income and positive cash flow from operations in future years. Management believes that current working capital and proceeds from the sale of common stock in 2013 will be sufficient to allow the Company to maintain its operations through December 31, 2013 and into the foreseeable future.

Reclassifications

Certain reclassifications have been made in the 2011consolidated financial statements to conform to the 2012 presentation.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make a number of estimates and assumptions related to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of intangible assets; valuation allowances and reserves for receivables and inventory and deferred income taxes; revenue recognition related to contracts accounted for under the percentage of completion method; share-based compensation; and loss contingencies, including those related to litigation. Actual results could differ from those estimates.

Cash and Cash Equivalents

We consider all highly liquid debt investments with an original maturity of three months or less at the date of acquisition to be cash equivalents. Periodically, we maintain deposits in financial institutions in excess of federally insured limits. As of December 31, 2012 and 2011, we did not hold any assets that would be deemed to be cash equivalents.

Restricted Cash

At December 31, 2012, the company had $220,000 of self-imposed restricted cash that was maintained by its attorney in a special trust account created for the purpose of making payments to the IRS in accordance with an installment plan (see Note 8).

Accounts Receivable and Concentration of Credit Risk

Accounts receivable are recorded at the invoiced amounts less an allowance for doubtful accounts. The allowance for doubtful accounts is based on our estimate of the amount of probable credit losses in our accounts receivable. We determine the allowance for doubtful accounts based upon an aging of accounts receivable, historical experience and management judgment. Accounts receivable balances are periodically reviewed for collectability, and balances are charged off against the allowance when we determine that the potential for recovery is remote. An allowance for doubtful accounts of approximately $92,900 and $299,700 has been reserved as of December 31, 2012 and 2011, respectively.

We are exposed to credit risk in the normal course of business, primarily related to accounts receivable. Our customers operate primarily in the oil production and refining, rail transport, biogas generating and wastewater treatment industries in the United States. Accordingly, we are affected by the economic conditions in these industries as well as general economic conditions in the United States. To limit credit risk, management periodically reviews and evaluates the financial condition of its customers and maintains an allowance for doubtful accounts. As of December 31, 2012, we do not believe that we have significant credit risk.

As of December 31, 2012, we had one customer who comprised approximately 38% of our accounts receivable. As of December 31, 2011, we had one customer who comprised 38%, respectively, of our accounts receivable.

As of December 31, 2012, we had two customers with sales in excess of 10% of our revenue and combined were in excess of 27%. We did not have any customers with sales in excess of 10% of our revenue in 2011.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Fair Value of Financial Instruments

The carrying amounts of our financial instruments, including accounts receivable and accounts payable, are carried at cost, which approximates their fair value due to their short-term maturities. We believe that the carrying value of notes payable with third parties, including their current portion, approximate their fair value, as those instruments carry market interest rates based on our current financial condition and liquidity. We believe the amounts due to related parties also approximate their fair value, as their carried interest rates are consistent with those of our notes payable with third parties.

Fair Value

As defined in authoritative guidance, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ("exit price"). To estimate fair value, the Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated or generally unobservable.

The authoritative guidance establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities ("Level 1" measurements) and the lowest priority to unobservable inputs ("Level 3" measurements). The three levels of the fair value hierarchy are as follows:

Level 1 - Observable inputs such as quoted prices in active markets at the measurement date for identical, unrestricted assets or liabilities.

Level 2 - Other inputs that are observable, directly or indirectly, such as quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Unobservable inputs for which there is little or no market data and which the Company makes its own assumptions about how market participants would price the assets and liabilities.

In instances in which multiple levels of inputs are used to measure fair value, hierarchy classification is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Inventory

Inventory is stated at the lower of cost or market, generally using the specific identification method. Our inventory is primarily comprised of accumulated costs related to MV contracts. These costs represent recoverable costs incurred for production, including materials, engineering time billed as incurred and allocable operating overhead. Inventories are reviewed periodically and items considered to be slow-moving or obsolete are reduced to estimated net realizable value through an appropriate reserve. At December 31, 2012 and 2011, there was no inventory reserve.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Expenditures for replacements, renewals and betterments are capitalized. Repairs and maintenance costs are expensed as incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets of generally five to seven years for equipment, five to ten years for vehicles and three years for computer related assets. Assets are depreciated starting at the time they are placed into service. A portion of depreciation expense is charged to cost of product revenue on the consolidated statement of operations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property and Equipment, continued

Leasehold improvements are amortized using the straight-line method over the shorter of the lease term (including reasonably assured renewal periods), which range from three to seven years, or their estimated useful life.

Intangible Assets

Intangible assets with estimable useful lives are amortized using the straight-line method over their respective estimated useful lives verses their estimated residual values, and are reviewed for impairment annually, or whenever events or circumstances indicate their carrying amount may not be recoverable. We conduct our annual impairment test on December 31 of each year. The Company has evaluated its intangibles for impairment and has determined that intangibles were not impaired.

Long-lived Assets

We evaluate the carrying value of long-lived assets for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An asset is considered to be impaired when the anticipated undiscounted future cash flows of an asset group are estimated to be less than its carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows. No impairment was determined as of December 31, 2012 and 2011.

Revenue Recognition

We recognize revenue related to contract projects and services when all of the following criteria are met: (i) persuasive evidence of an agreement exists, (ii) delivery has occurred or services have been rendered, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured. Our revenue is primarily comprised of services related to industrial cleaning and railcar cleaning, which we recognize as services are rendered.

Product revenue generated from projects, which include the manufacturing of products, for removal and treatment of hazardous vapor and gasses is accounted for under the percentage-of-completion method for projects with durations in excess of three months and the completed-contract method for all other projects. Total estimated revenue includes all of the following: (1) the basic contract price (2) contract options (3) change orders (4) claims and (5) contract provisions for penalties and incentive payments, including award fees and performance incentives.

Under the percentage-of-completion method, we recognize revenue primarily based on the ratio of costs incurred to date to total estimated contract costs. Performance incentives are included in our estimates of revenue using the percentage-of-completion method when their realization is reasonably assured. Cancellation fees are included in our estimates of revenue using the percentage-of-completion method when the cancellation notice is received from the client.

Provisions for estimated losses on uncompleted contracts are made in the period in which the losses are identified. The cumulative effect of changes to estimated contract profit and loss, including those arising from contract penalty provisions such as liquidated damages, final contract settlements, warranty claims and reviews of our costs performed by clients, are recognized in the period in which the revisions are identified. To the extent that these adjustments result in a reduction or elimination of previously reported profits, we report such a change by recognizing a charge against current earnings.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue Recognition, continued

For contracts accounted for under the percentage-of-completion method, we include in current assets and current liabilities amounts related to construction contracts realizable and payable. Costs and estimated earnings in excess of billings on uncompleted contracts represent the excess of contract costs and profits recognized to date over billings to date, and are recognized as a current asset. Billings in excess of costs and estimated earnings on uncompleted contracts represents the excess of billings to date over the amount of contract costs and profits recognized to date, and are recognized as a current liability.

Stock-based Compensation

We account for stock-based awards at fair value on the date of grant, and recognize compensation over the service period that they are expected to vest. We estimate the fair value of stock options and stock purchase warrants using the Black-Scholes option pricing model. The estimated value of the portion of a stock-based award that is ultimately expected to vest, taking into consideration estimated forfeitures, is recognized as expense over the requisite service periods. The estimate of stock awards that will ultimately vest requires judgment, and to the extent that actual forfeitures differ from estimated forfeitures, such differences are accounted for as a cumulative adjustment to compensation expenses and recorded in the period that estimates are revised.

Research and Development

Research and development costs are charged to expense as incurred. Such expenses were $416,000 and $2,000, respectively, for the years ended December 31, 2012 and 2011.

Income Taxes

The Company accounts for income taxes pursuant to *Accounting Standards Codification* ("ASC") 740, *Income Taxes,* which utilizes the asset and liability method of computing deferred income taxes. The objective of this method is to establish deferred tax assets and liabilities for any temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled. The current and deferred tax provision is allocated among the members of the consolidated group on the separate income tax return basis.

ASC 740 also provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the financial statements. Tax positions must meet a "more-likely-than-not" recognition threshold at the effective date to be recognized. During the years ended December 31, 2012 and 2011 the Company recognized no adjustments for uncertain tax positions.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. No interest and penalties related to uncertain tax positions were recognized at December 31, 2012 and 2011. The Company expects no material changes to unrecognized tax positions within the next twelve months.

The Company has not filed federal and state tax returns since inception. The tax periods for the years ending December 31, 2008 through 2012 are open to examination by federal and state authorities.

Recently issued accounting pronouncements

Changes to accounting principles generally accepted in the United States of America (U.S. GAAP) are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (ASU's) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all new or revised ASU's.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Recently issued accounting pronouncements, continued

In December 2011, the FASB issued an amendment to the accounting guidance for disclosure of offsetting assets and liabilities and related arrangements. The amendment expands the disclosure requirements in that entities will be required to disclose both gross information and net information about both instruments and transactions eligible for offset in the statement of financial position and instruments and transactions subject to an agreement similar to a master netting arrangement. The amendment is effective for fiscal years, and interim periods within those years, beginning on or after January 1, 2013, and shall be applied retrospectively. We do not expect the adoption of this accounting pronouncement to have a material impact on our financial statements when implemented.

In July 2012, the Financial Accounting Standards Board ("FASB") issued guidance which amends the guidance on testing indefinite-lived intangible assets, other than goodwill, for impairment. Under the new guidance, an entity testing an indefinite-lived intangible asset for impairment has the option of performing a qualitative assessment before calculating the fair value of the asset. If the entity determines, on the basis of qualitative factors, that the fair value of the indefinite-lived intangible asset is not more likely than not impaired, the entity would not need to calculate the fair value of the asset. The guidance is effective for the Company for our annual impairment test for fiscal 2014. The adoption of this guidance is not expected to have a significant impact on our consolidated financial position, results of operations, or cash flows.

In October 2012, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2012-04, "Technical Corrections and Improvements" in Accounting Standards Update No. 2012-04. The amendments in this update cover a wide range of Topics in the Accounting Standards Codification. These amendments include technical corrections and improvements to the Accounting Standards Codification and conforming amendments related to fair value measurements. The amendments in this update will be effective for fiscal periods beginning after December 15, 2012. The adoption of ASU 2012-04 is not expected to have a material impact on our financial position or results of operations.

In March 2013, the FASB issued ASU 2013-05, "Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity," ("ASU 2013-05"). The objective of ASU 2013-05 is to clarify the applicable guidance for the release into net income of the cumulative translation adjustment upon derecognition of a subsidiary or group of assets within a foreign entity. ASU 2013-05 is effective for annual and interim reporting periods beginning after December 15, 2013 with early adoption permitted. The Company is currently evaluating the impact that the adoption will have on the determination or reporting of its financial results.

Risks From Concentrations Not Noted Elsewhere

In 2012, 66% of the revenues of TCC were derived from two customers.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment was comprised of the following:

	December 31, 2012	December 31, 2011
Field and shop equipment	$ 1,051,900	$ 1,081,200
Vehicles	382,500	421,600
Furniture and office equipment	24,500	31,000
Leasehold improvements	55,500	55,500
	1,514,400	1,589,300
Less: accumulated depreciation and amortization	(762,300)	(792,500)
Property and equipment, net	$ 752,100	$ 796,800

Depreciation expense and amortization of leasehold improvements for the years ended December 31, 2012 and 2011, was $242,800 and $295,400, respectively.

Property and equipment included the following amounts for leases that have been capitalized at December 31:

	2012	2011
Field and shop equipment	$ 148,500	$ 27,200
Less: accumulated amortization	(29,500)	(13,100)
	$ 119,000	$ 14,100

NOTE 4 – INTANGIBLE ASSETS

Intangible assets were comprised of the following:

	December 31, 2012		
	Gross carrying amount	Accumulated amortization	Net carrying value
Customer list	$ 42,500	$ (27,800)	$ 14,700
Technology	712,100	(294,700)	417,400
Trade name	54,600	(35,800)	18,800
	$ 809,200	$ (358,300)	$ 450,900

	December 31, 2011		
	Gross carrying amount	Accumulated amortization	Net carrying value
Customer list	$ 42,500	$ (21,800)	$ 20,700
Technology	712,100	(223,500)	488,600
Trade name	54,600	(27,900)	26,700
	$ 809,200	$ (273,200)	$ 536,000

NOTE 4 – INTANGIBLE ASSETS, continued

The estimated useful lives of the intangible assets range from seven to ten years. Amortization expense was $85,100and $104,000 for the years ended December 31, 2012 and 2011, respectively. The estimated aggregate amortization expense for each of the next five years is as follows:

2013	$ 85,100
2014	85,100
2015	77,000
2016	71,200
2017	71,200
Thereafter	61,300
	$ 450,900

NOTE 5 - ACCRUED LIABILITIES

Accrued liabilities were comprised of the following:

	December 31, 2012	December 31, 2011
Accrued compensation and related taxes	$ 385,100	$ 144,400
Accrued interest	61,600	142,200
Accrued material and other job related costs	30,700	172,200
Other	21,700	10,400
	$ 499,100	$ 469,200

NOTE 6 - UNCOMPLETED CONTRACTS

Costs, estimated earnings and billings on uncompleted contracts are as follows:

	December 31, 2012	December 31, 2011
Revenue Recognized	$ 63,800	$ 477,200
Less: Billings to date	(28,300)	(311,300)
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 35,500	$ 165,900
Billings to date	$ 775,800	$ 69,500
Revenue recognized	(448,400)	(31,500)
Billings in excess of costs and estimated earnings on uncompleted contracts	$ 327,400	$ 38,000

NOTE 7– INVESTMENT IN PARAGON WASTE SOLUTIONS LLC

In 2010, the Company and Black Stone Management Services, Inc. ("Black Stone") formed PWS whereby 1,000,000 membership units were issued, the Company acquired 60% (600,000) of the membership units in PWS and Black Stone acquired 40% (400,000) of the membership units in PWS, respectively. In June 2012, the Company and Blackstone each allocated 10% of their respective membership units in PWS to two individuals, one of which is an officer of the Company and one which is a shareholder of the Company and an officer of a subsidiary. There was no value to the units at the time of the allocation. As of December 31, 2012 the Company owns 54% of the membership units, Black Stone 36% of the membership units and two individuals, one of which is an officer of the Company and one who is a shareholder, each own 5% each of the membership units.

In August, 2011, we acquired certain waste destruction technology intellectual property (the "IP") from Black Stone in exchange for 1,000,000 shares of our common stock valued at $100,000. We estimated the useful life of the IP at ten years, which was consistent with the useful life of other technology included in our intangible assets, and management's initial assessment of the potential marketability of the IP.

During 2012, we have provided approximately $415,000 in funding to PWS for further development and construction of a prototype commercial waste destruction unit. Black Stone has made no capital contributions or other funding to PWS. The intent of the operating agreement is that we will provide the funding as an advance against future earnings distributions made by PWS.

NOTE 8 - PAYROLL TAXES PAYABLE

In 2009 and 2010, the Company became delinquent for unpaid federal employer and employee payroll taxes and accrued interest and penalties related to the unpaid payroll taxes. Additionally, we had amounts outstanding for certain unpaid state payroll taxes and accrued interest and penalties applicable to 2012 and 2011. All interest and penalties related to the delinquent federal and state payroll taxes are included in the section labeled "other income and expenses" in the consolidated statement of operations.

In September 2011, we received approval from the IRS to begin paying our outstanding federal payroll tax and related interest and penalties liabilities totaling approximately $971,000, for the aforementioned years in installments (the "Installment Plan"). Under the Installment Plan, we were required to pay minimum monthly installments of $12,500 commencing September 2011, which increased to $25,000 per month in September 2012, until the liability is paid in full. Through the duration of the Installment Plan, the IRS continues to charge penalties and interest at statutory rates. If the conditions of the Installment Plan are not met, the IRS may cancel it and may demand the outstanding liability to be repaid through a levy on income, bank accounts or other assets, or by seizing certain of our assets. Additionally, the IRS has filed a notice of federal tax lien against certain of our assets to satisfy the obligation. The IRS is to release this lien if and when we pay the full amount due. As of December 31, 2012 and 2011, the outstanding balance due to the IRS was $1,045,400, and $1,103,500, respectively. Two of the officers of the Company also have liability exposure for a portion of the taxes if the Company does not pay them.

As of December 31, 2012 and 2011, the amounts due for past due state payroll taxes, interest and penalties, was $35,400, and $32,100, respectively.

NOTE 9 – DEBT

In June 2011, we issued an unsecured promissory note to a third party in the amount of $40,000 (the "June 2011 Note") bearing interest at a rate of 10% per annum and a three year warrant to purchase 13,000 shares of our common stock at an exercise price of $1.00 per share. In addition, a second note payable, to the same third party, in the amount of $25,000 plus $3,000 of accrued interest was also converted into the June 2011 Note, resulting in a new principal balance of $68,000. Principal payments were due beginning November 2011 and the June 2011 Note is in default as of December 31, 2012, as no payments have been made to date. We valued the warrant at $170 using the Black-Scholes model and recorded this amount as a debt discount. The debt discount was fully amortized during 2011.

In December 2011, we issued a secured promissory note to a third party in the amount of $50,000 (the "December 2011 Note") bearing interest at 18% per year, secured by certain assets in TCC and a five year warrant to purchase 25,000 shares of our common stock at an exercise price of $0.50 per share. We valued the warrant at $5,749 using the Black-Scholes model and recorded this amount as a debt discount. The December 2011 Note was paid in full in June 2012.

The Company entered into a loan agreement evidenced by a convertible secured promissory note with Advanced Technology Materials, Inc. on February 14, 2012. The amount of the convertible secured promissory note is $225,000. The loan agreement allows for an additional $225,000 to be borrowed upon meeting certain defined milestones and stipulates the Company provide the lenders, among other things, a security agreement which also identifies the collateral, a registration rights agreement granting piggy-back registration rights to the lender, a development agreement and use the loan proceeds for projects and transactions contemplated in the term sheet and development agreement. The note bears interest at 5 percent per annum. The entire loan and/or unpaid balance of the loan and accrued interest can be converted into the Company's common stock at $0.50 per share at any time at the option of the holder. However, if the lender does not convert any of the principal or interest into common stock then $112,500 of principal plus accrued interest will be due on demand on or after December 31, 2014.

NOTE 9 – DEBT, continued

Debt as of December 31, 2012 and 2011, was comprised of the following:

	2012	2011
June 2011 Note (See above)	$ 68,000	$ 68,000
December 2011 Note, net of debt discount (See above)	—	44,200
Note payable dated January 2008, unsecured, default interest rate of 10% per annum, 18 monthly payments of $22,315 commencing March 2008, maturing August 2009. Note payable was in default as of December 31, 2011. (A)	—	340,000
Note payable dated February 2012, interest at 5% per annum, $112,500 is due December 31, 2014, convertible in whole or in part to common stock at $.50 per share.	225,000	—
Promissory note dated April 2008, secured by certain of our assets, bearing interest at 6.65% per annum; 60 monthly payments of $14,276, maturing April 2013.	70,200	231,000
Promissory note dated December 2009, unsecured, bearing interest at 6% per annum, six monthly payments ranging from $10,000 to $25,000 commencing February 2010, balloon payment for outstanding balance due July 2010. The promissory note is in default as of December 31, 2012 and 2011.	104,200	109,200
Promissory note dated November 2010, unsecured, bearing interest at 8% per annum, balloon payment for outstanding balance due October 2011. The promissory note is in default as of December 31, 2012 and 2011.	25,000	25,000
Capital lease obligations, secured by certain assets, maturing September 2011 through August 2016	109,000	18,500
Total notes payable and capital lease obligation	601,400	835,900
Less: current portion, including debt discount	(319,800)	(766,800)
Notes payable and capital lease obligation, long-term	$ 281,600	$ 69,100

In June 2012, a final payment of $25,000 was made and we and the note holder agreed to a settlement amount for all principal and interest due of $446,000, which the notes holder converted into 900,000 shares of our common stock. Debt maturities as of December 31, 2012 are as follows:

Year:	
2013	$ 319,800
2014	270,200
2015	9,800
2016	1,600
	$ 601,400

NOTE 9 – DEBT, continued

Future minimum lease payments under capital leases, which include bargain purchase options, are as follows at December 31, 2012:

2013	$	59,900
2014		48,400
2015		10,100
2016		1,700
Total minimum lease payments		120,100
Amount representing interest		11,100
Present value of lease payments		109,000
Less current portion		(52,400)
Non-current portion	$	56,600

NOTE 10 – RELATED PARTY TRANSACTIONS

Notes payable, related parties

In February 2011, we executed a secured, promissory note with one of our officers in the amount of $50,000 (the "2011 Officer Note"). The 2011 Officer Note is secured by certain assets in MV and bears interest at 8% per annum and was originally due on August 15, 2011. It is currently due on demand. As additional consideration, we issued to the officer a five-year warrant to purchase 25,000 shares of our common stock at an exercise price of $0.60 per share. We valued the warrant at approximately $6,000 using the Black-Scholes model and recorded this amount as a debt discount. The debt discount was fully amortized during 2011.

Notes payable, related parties and accrued interest due to certain related parties as of December 31, 2012 and 2011areas follows:

	2012	2011
Note payable dated February 2004, bearing interest at 8% per annum, originally due January 2008; assigned to CEO by a third party in 2010; due on demand, in default	$ 97,000	$ 97,000
Notes payable due to our CEO, bearing interest at 8% per annum, originally due February and March 2009; due on demand, in default	—	42,700
Note payable due to President of our subsidiary, REGS, interest at 8% per annum, originally due February 2009, in default	4,200	12,200
Note payable due to President of our subsidiary, REGS, interest at 8% per annum, due December 2013	—	11,400
2011 Officer Note (see description above), in default	50,000	50,000
Accrued interest	39,200	42,500
	$ 190,400	$ 255,800

We believe the stated interest rates on the related party notes payable represent reasonable market rates based on the note payable arrangements we have executed with third parties.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Operating lease commitments

Future commitments under non-cancellable operating leases for office and warehouse space as of December 31, 2012are as follows:

Year		
2013	$	188,200
2014		133,500
2015		120,000
2016		120,000
2017		120,000
Thereafter		415,000
Total	$	1,096,700

For the years ended December 31, 2012 and 2011, rent expense was $292,100 and $372,000, respectively.

Litigation

In 2011, a former employee filed suit in the United States District Court for the District of Colorado, in which general allegations of discrimination were made against us arising out of the individual's employment with us. In2011, we settled this claim for a cash payment of $33,000 and the issuance of 60,000 shares of our common stock valued at approximately $12,000.

NOTE 12–EQUITY TRANSACTIONS

Common Stock – Authorized common stock of the Company consists of 70,000,000 shares of $.001 par value, of which 40,349,400 shares were issued and outstanding at December 31, 2012.

Preferred Stock – Authorized preferred stock consists of 5,000,000 shares of preferred stock, $.001 par value, no shares of preferred stock are issued and outstanding.

2012 Common Stock Transactions

During 2012, we executed subscription agreements for the sale of units in various private placements. Each unit was priced at $50,000 and was comprised of 250,000 shares our common stock and 125,000 warrants. Each warrant is exercisable for a period of five years at an exercise price of $0.50 per share. Under the 2012 Private Placements, we sold a total of 5,825,000 shares of common stock and 2,912,500 warrants for net cash proceeds of $1,165,000. In 2012 we also sold 200,000 shares of our common stock at $.50 per share to a private investor for cash proceeds of $100,000. In December 2012, we initiated a new private placement comprised of 200,000 shares and 100,000 warrants for $50,000. One unit was subscribed to in 2012.

During 2012, the Company received a subscription receivable of $100,000 for the purchase of two units consisting of 500,000 shares of common stock and 250,000 warrants. As of December 31, 2012 the subscription receivable was still outstanding and the receivable is reported in stockholder's equity.

During 2012, the Company issued 3.1 million shares of common stock for services valued at $512,000.

During 2012, the Company issued 900,000 shares of common stock upon the conversion of a delinquent note payable of $446,500 resulting in a gain on debt settlement of $305,800.

NOTE 12 – EQUITY TRANSACTIONS, continued

2012 Common Stock Transactions, continued

During 2012, the Company received $350,000 in return for issuing convertible debt. As an inducement to enter into the convertible debt, the convertible note holders received 350,000 shares of common stock and warrants to purchase 350,000 shares of common stock at $.50 per share exercisable for a period of 5 years. In 2012, the convertible debt and accrued interest totaling $358,100 was converted into 1,790,400 shares of common stock. The Company recorded a discount related to the common stock, warrants and beneficial conversion feature which was fully amortized upon conversion.

2011 Common Stock Transactions

During the period from May through August 2011, we executed subscription agreements for the sale of units at a price of $50,000 per unit in a private placement (the "2011 Private Placement"). Each unit was comprised of 250,000 shares our common stock and 250,000 warrants to purchase a share of our common stock at an exercise price of $0.50 per share for a period of three years from the date the warrant was issued. Under the 2011 Private Placement, we sold total of 820,000 shares of our common stock and 820,000 warrants for net cash proceeds of $149,000. As compensation for the 2011 Private Placement, we issued the broker 320,000 shares of our common stock and warrants to purchase 320,000 shares of common stock. The compensation was valued at $15,000. The warrants are exercisable for a period of three years at an exercise price of $0.50 per share.

In October 2011, we sold 100,000 shares of our common stock at $.50 per share to a private investor for cash proceeds of $50,000.

In July 2011, we executed a non-binding letter of intent to acquire a company. In December 2011, we issued 100,000 shares of our common stock, valued at $.50 per share, to extend the term of a non-binding letter of intent until April 2012. The transaction was not consummated, and the letter of intent expired.

In 2011, the Company settled a claim of discrimination by a former employee for a cash payment of $33,000 and the issued 60,000 shares of common stock valued at $12,000.

In 2011 the Company settled a debt by issuing 240,700 shares of common stock valued at $103,500, which resulted in a gain of $41,000.

During the period from January through August 2011, we issued a total of 80,000 shares of our common stock to Black Stone, a related party, for consulting services, valued at $34,400.

Warrants

In September 2010 the Company issued warrants to purchase 250,000 of the Company's common stock, 115,301 vested in 2011 and 48,217 in 2012. The Company recorded consulting expense of $18,900 and $6,900 in 2011 and 2012, respectively. In 2012 the Company issued 200,000 warrants, 150,000 vested in 2012 and 50,000 vested in 2013. The exercise price is $0.40. The Company recorded $14,300 of expense.

In June 2011, for consulting services rendered by a third party, we issued a five year warrant to purchase 50,000 shares of our common stock at an exercise price of $1.00 per share for consulting services. We valued the warrant at $1,063 using the Black-Scholes model and recorded the charge to our consolidated statement of operations upon issuance of the warrant.

NOTE 12 – EQUITY TRANSACTIONS, continued

Warrants, continued

A summary of warrant activity for the year ended December 31, 2012 and December 31, 2011 is presented as follows:

	Number of Warrants	Exercise Price
Warrants Outstanding at January 1, 2011	2,389,000	$ 1.00 to $1.50
Issued	1,253,000	$ 0.50 to $1.00
Exercised	—	
Forfeited/expired/canceled	(725,000)	—
Warrants Outstanding at January 1, 2012	2,917,000	$ 0.50 to $1.50
Issued	3,562,500	$ 0.40 to $0.50
Exercised	—	—
Forfeited/expired/canceled	(140,000)	—
Warrants Outstanding at December 31, 2012	6,339,500	$ 0.40 to $1.50

NOTE 13 – STOCK-BASED COMPENSATION AND EMPLOYEE BENEFIT PLAN

We do not have a qualified stock option plan, but have issued stock purchase warrants and stock options on a discretionary basis to employees, directors, service providers and outside consultants.

The Company utilizes ASC 718, *Stock Compensation,* related to accounting for share-based payments and, accordingly, records compensation expense for share-based awards based upon an assessment of the grant date fair value for stock options and restricted stock awards. The Black Scholes option pricing model was used to estimate the fair value of the options granted. This option pricing model requires a number of assumptions, of which the most significant are: expected stock price volatility, the expected pre-vesting forfeiture rate, and the expected option term (the amount of time from the grant date until the options are exercised or expire). The Company estimated a volatility factor utilizing a weighted average of comparable published volatilities. The Company applied the simplified method to determine the expected term of grants. The risk free interest rate is based on or approximates the U.S. Treasury yield curve in effect at the time of the grant.

Stock compensation expense for stock options is recognized on a straight-line basis over the vesting period of the award. The Company accounts for stock options as equity awards.

Share-based compensation expense recognized in the statements of operations is based on awards ultimately expected to vest, which considers estimated forfeitures. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company recognizes the expense or benefit from the effect of adjusting the estimated forfeiture rate in the period that the forfeiture estimate changes.

NOTE 13 – STOCK-BASED COMPENSATION AND EMPLOYEE BENEFIT PLAN, continued

The weighted average estimated fair value of stock option grants and the weighted average assumptions that were used in calculating such values for the years ended December 31, 2012 and 2011 are as follows:

	2012	2011
Risk-free interest rate	.36%	.6%
Expected volatility	77%	77%
Expected life (in years)	3.67	2.5
Dividend rate	0	0
Weighted-average estimated fair value per award	$ .05	$ .02

For the years ended December 31, 2012 and 2011, we recorded stock-based compensation of $60,100 and $171,100, respectively, which is included in selling, general and administrative expense in our consolidated statements of operations.

A summary of stock option activity for the year ended December 31, 2012 is presented as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Weighted Average Grant Date Fair Value Value
Outstanding at January 1, 2012	752,667	$ 1.01	2.4 years	$ .47
Granted	1,800,000	$ .50	3.7 years	$ .05
Exercised	—	—		
Forfeited/expired/canceled	(318,667)	$ 1.00	1.4 years	
Outstanding at December 31, 2012	2,234,000	$ .60	2.4 years	$ .13
Vested and exercisable at December 31, 2012	1,242,026	$ .68	2.14 years	$ .19

A summary of stock option activity for the year ended December 31, 2011 is presented as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Weighted Average Grant Date Fair Value
Outstanding at January 1, 2011	962,667	$ 1.00	3.4 years	$ .57
Granted	132,000	$ 1.00	2.5 years	$ .02
Exercised	—	—		
Forfeited/expired/canceled	(342,000)	1.00	2.4 years	
Outstanding at December 31, 2011	752,667	$ 1.00	2.4 years	$ .47
Vested and exercisable at December 31, 2011	692,061	$ 1.00	2.4 years	$ .51

As of December 31, 2012, there was approximately $23,000 of total unrecognized compensation cost related to non-vested stock options that is expected to be recognized over a weighted-average period of approximately 2.0 years.

NOTE 13 – STOCK-BASED COMPENSATION AND EMPLOYEE BENEFIT PLAN, continued

Employee Benefit Plan

We have a defined contribution 401(k) plan that covers substantially all employees. Additionally, at the discretion of management, we may make contributions to eligible participants, as defined. During the years ended December 31, 2012 and 2011, we made contributions of approximately $30,750and $13,800, respectively.

NOTE 14 – NET LOSS PER SHARE

Basic net loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding. Diluted net loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares. Potentially dilutive securities are excluded from the calculation when their effect would be anti-dilutive. For all years presented in the consolidated financial statements, all potentially dilutive securities have been excluded from the diluted share calculations as they were anti-dilutive as a result of the net losses incurred for the respective years. Accordingly, basic shares equal diluted shares for all years presented.

Potentially dilutive securities were comprised of the following:

	December 31,	
	2012	2011
Warrants	6,339,500	2,917,000
Options	2,234,000	752,667
Convertible notes payable	225,000	900,000
	8,798,500	4,569,667

NOTE 15 - SEGMENT INFORMATION AND MAJOR CUSTOMERS

We operate in three business segments; industrial cleaning, railcar cleaning, and environmental solutions. The composition of our reportable segments is consistent with that used by our chief operating decision maker to evaluate performance and allocate resources. All of our operations are located in the U.S. We have allocated corporate selling, general and administrative expenses, interest expense, depreciation and amortization and stock-based compensation to the segments based on a percentage of a segment's revenue to total consolidated revenue. All intercompany transactions have been eliminated.

NOTE 15 - SEGMENT INFORMATION AND MAJOR CUSTOMERS continued

Segment information as of December 31, 2012 and 2011, and for the years then ended is as follows:

2012	Industrial Cleaning	Railcar Cleaning	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 3,064,700	$ 2,336,900	$ 1,439,800	$ —	$ —	$ 6,841,400
Depreciation and amortization (1)	$ 172,400	$ 29,500	$ 116,000	$ —	$ 10,000	$ 327,900
Interest expense	$ 121,900	$ 41,200	$ 13,100	$ —	$ 127,700	$ 303,900
Stock-based compensation	$ —	$ —	$ —	$ —	$ 571,600	$ 571,600
Net income (loss)	$ (145,300)	$ 397,200	$ (142,000)	$ (434,200)	$(1,364,800)	$(1,689,100)
Capital expenditures (cash and noncash)	$ 6,300	$ 1,700	$ 68,900	$ —	$ —	$ 76,900
Total assets	$ 1,350,000	$ 444,300	$ 892,300	$ 1,000	$ 112,200	$ 2,799,800

2011	Industrial Cleaning	Railcar Cleaning	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 2,321,100	$ 2,458,800	$ 1,788,200	$ —	$ —	$ 6,568,100
Depreciation and amortization (1)	$ 223,700	$ 51,000	$ 120,600	$ —	$ 4,100	$ 399,400
Interest expense	$ 131,700	$ 40,400	$ 5,200	$ —	$ 10,800	$ 188,100
Stock-based compensation	$ 101,300	$ 107,600	$ 78,500	$ —	$ —	$ 287,400
Net income (loss)	$ (628,600)	$ (78,200)	$ 128,900	$ —	$ (992,000)	$(1,569,900)
Capital expenditures (cash and noncash)	$ 2,600	$ 58,700	$ 39,200	$ —		$ 100,500
Total assets	$ 869,000	$ 399,300	$ 739,800	$ —	$ 103,300	$ 2,111,400

(1) Includes depreciation of property, equipment and leasehold improvement and amortization of intangibles

NOTE 16 - INCOME TAXES

As of December 31, 2012, once we files our federal and state income tax returns we estimate we will have net operating loss carryforwards available to offset future federal income tax of approximately $11 million. These carryforwards will expire between the years 2028 through 2031. Under the Tax Reform Act of 1986, the amount of and the benefit from net operating losses that can be carried forward may be limited in certain circumstances. Events that may cause changes in the our tax carryovers include, but are not limited to, a cumulative ownership change of more than 50% over a three-year period. Therefore, the amount available to offset future taxable income may be limited. We carry a deferred tax valuation allowance equal to 100% of total deferred assets. In recording this allowance, we have considered a number of factors, but chiefly, our operating losses from inception. We have concluded that a valuation allowance is required for 100% of the total deferred tax assets as it is more likely than not that the deferred tax assets will not be realized.

Deferred tax assets, all of which were long-term, were comprised of the following as of December 31, 2012 and 2011:

	2012	2011
Allowance for doubtful accounts	$ 35,900	$ 115,700
Accrued expenses	66,300	18,300
Current deferred tax asset	102,200	134,000
Intangible and fixed assets	(25,500)	(56,200)
NOL carryforward	2,225,200	1,889,200
Long-term deferred tax asset	2,199,700	1,833,000
Total deferred tax asset	2,301,900	1,967,000
Less valuation allowance	(2,301,900)	(1,967,000)
Net deferred tax asset	$ —	$ —

NOTE 16 - INCOME TAXES, continued

The benefit for income taxes differed from the amount computed using the U.S. federal income tax rate of 34% for December 31, 2012 and 2011 as follows:

	2012	2011
Income tax benefit (federal and state)	$ 574,200	$ 533,800
Non-deductible items	(306,000)	(138,000)
Other	66,700	24,700
Change in valuation allowance	(334,900)	(420,500)
Income tax benefit	$ —	$ —

NOTE 17 - ENVIRONMENTAL MATTERS AND REGULATION

Significant federal environmental laws affecting us are the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), also known as the "Superfund Act", the Clean Air Act, the Clean Water Act, and the Toxic Substances Control Act ("TSCA").

Pursuant to the EPA's authorization of their RCRA equivalent programs, a number of states have regulatory programs governing the operations and permitting of hazardous waste facilities. Our facilities are regulated pursuant to state statutes, including those addressing clean water and clean air. Our facilities are also subject to local siting, zoning and land use restrictions. Although our facilities occasionally have been cited for regulatory violations, we believe we are in substantial compliance with all federal, state and local laws regulating our business.

NOTE 18 - SUBSEQUENT EVENTS

For the period January 1, 2013 through the date of this report the Company raised approximately $516,000 from the private placement sale of common stock and warrants.

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2013 Unaudited	December 31, 2012 *
ASSETS		
Current assets:		
Cash	$ 130,200	$ 70,400
Cash – restricted	131,600	220,000
Accounts receivable, net of allowance of $109,400 and $92,900, respectively	1,279,600	1,173,800
Costs and estimated earnings in excess billings on uncompleted contracts	177,500	35,500
Inventory	18,500	46,000
Prepaid expenses and other assets	196,100	41,600
Total current assets	1,933,500	1,587,300
Property and equipment, net	878,400	752,100
Intangible assets, net	429,700	450,900
Other assets	9,400	9,400
TOTAL ASSETS	$ 3,251,000	$ 2,799,700
LIABILITIES & STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 1,421,800	$ 1,323,300
Accrued liabilities	488,700	499,100
Billings in excess of costs and estimated earnings on uncompleted contracts	462,500	327,400
Current portion of payroll taxes payable	336,100	335,400
Current portion of notes payable and capital lease obligations	281,000	319,800
Notes payable - related parties, including accrued interest	191,400	190,400
Total current liabilities	3,181,500	2,995,400
Payroll taxes payable, net of current portion	750,800	745,400
Notes payable and capital lease obligations, net of current portion	281,600	281,600
Total liabilities	4,213,900	4,022,400
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock; $.001 par value; 5,000,000 shares authorized; -0- shares issued	-	-
Common stock; $.001 par value; 70,000,000 shares authorized; and 42,245,300 40,349,300 shares issued and outstanding 2013 and 2012, respectively	42,200	40,300
Additional paid-in capital	11,130,000	10,632,200
Stock subscription receivable	(100,000)	(100,000)
Accumulated deficit	(11,767,000)	(11,595,500)
Non-controlling interest	(268,100)	(199,700)
Total stockholders' deficit	(962,900)	(1,222,700)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 3,251,000	$ 2,799,700

**These numbers were derived from the audited financial statements for the year ended December 31, 2012.*

See accompanying notes.

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

	For the Three Months Ended	
Revenue:	2013	2012
Products	$ 901,600	$ 204,800
Services	1,667,200	898,000
Total revenue	2,568,800	1,102,800
Operating expenses:		
Products costs	572,200	182,300
Services costs	1,038,700	553,800
Selling, general and administrative expenses	1,174,500	709,700
Total operating expenses	2,785,400	1,445,800
Loss from operations	(216,600)	(343,000)
Other income (expenses):		
Interest income	2,000	-
Interest expense	(23,900)	(64,500)
Penalties and late fees	(1,400)	(6,100)
Other	-	(2,900)
Total non-operating expenses, net	(23,300)	(73,500)
Net loss	(239,900)	(416,500)
Less: Net loss attributable to non-controlling interest	(68,400)	-
Net loss attributable to SEER common stockholders	$ (171,500)	$ (416,500)
Net loss per share, basic and diluted	$ (.004)	$ (.015)
Weighted average shares outstanding – basic and diluted	41,281,000	27,498,100

See accompanying notes.

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)

	For the Three Months Ended March 31,	
Cash flows from operating activities:	2013	2012
Net loss	$ (239,900)	$ (416,500)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Provision for doubtful accounts receivable	22,800	14,000
Depreciation and amortization	86,900	84,900
Stock-based compensation expense	5,500	30,400
Amortization of debt discount	-	2,900
Changes in operating assets and liabilities:		
Cash – restricted	88,400	-
Accounts receivable	(128,600)	119,300
Costs in Excess of billings on uncompleted contracts	(142,000)	(63,100)
Inventory	27,500	(25,000)
Prepaid expenses and other assets	(154,600)	(32,000)
Accounts payable	98,500	(131,900)
Accrued liabilities and related party notes payable accrued interest	2,000	102,500
Billings in excess of revenue on uncompleted contracts	135,200	35,900
Payroll taxes payable	(3,400)	(1,900)
Net cash used in operating activities	(201,700)	(280,500)
Cash flows from investing activities:		
Purchase of property and equipment	(191,800)	(22,600)
Proceeds the sale of property and equipment	-	
Net cash used in investing activities	(191,800)	(22,600)
Cash flows from financing activities:		
Proceeds from notes payable	-	225,000
Payments of notes payments and capital lease obligations	(38,800)	(52,100)
Payments of related party notes payable and accrued interest	(1,900)	(2,900)
Proceeds from the sale of common stock and warrants, net of expenses	494,000	100,000
Net cash provided by financing activities	453,300	270,000
Net increase (decrease) in cash	59,800	(33,100)
Cash at the beginning of period	70,400	81,100
Cash at the end of period	$ 130,200	$ 48,000
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 2,900	$ (7,800)
Conversion of accounts payable and accrued expenses to notes payable	-	$ 66,900
Discount on note payable	-	$ (2,900)
Purchase of assets under capital leases	-	$ 121,300

See accompanying notes.

NOTE 1 - ORGANIZATION AND FINANCIAL CONDITION

Organization

Strategic Environmental & Energy Resources, Inc. ("SEER", "we" or the "Company"), a Nevada corporation, is a provider of industrial products and services in the environmental, energy, and rail transportation sectors. SEER has three wholly-owned operating subsidiaries which provide industrial services to companies in the petroleum, industrial, manufacturing, and medical industries: REGS, LLC (d/b/a Resource Environmental Group Services ("REGS")) provides mobile cleaning services to refineries and other entities in Colorado, Wyoming, Oklahoma, Kansas and Utah and also operates a site in Utah, on behalf of another company, to treat frac water resulting from oil and gas exploration; Tactical Cleaning Company, LLC ("TCC") provides cleaning services to railcar tankers from its sites in Colorado and Kansas; MV, LLC ("MV"), located in Colorado, designs and builds emission and odor control units for refineries, municipalities and other corporate entities; and two majority-owned subsidiaries, Paragon Waste Solutions, LLC ("PWS") a newly formed operating company, owned 54% by SEER (see Note 7) that is developing specific opportunities to deploy and commercialize certain patent-pending technologies for a cold plasma oxidation process that makes possible the clean destruction of hazardous chemical and biological waste (*i.e*., hospital red bag waste) without traditional incineration with harmful emissions and BeneFuels, LLC ("BeneFuels"), formed in February 2013, owned 90% by SEER and was formed to focus specifically on treating biogas for conversion to pipeline quality gas and/or CNG for fleet vehicles. BeneFuels had no operations as of May 7, 2013.

Principals of Consolidation

The accompanying consolidated financial statements include the accounts of SEER, its wholly-owned subsidiaries, REGS, TCC and MV and its majority-owned subsidiaries PWS and BeneFuels, since their respective acquisition or formation dates. All material intercompany accounts, transactions, and profits have been eliminated in consolidation.

Basis of presentation Unaudited Interim Financial Information

The accompanying interim condensed consolidated financial statements are unaudited. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all of the normal recurring adjustments necessary to present fairly the financial position and results of operations as of and for the periods presented. The interim results are not necessarily indicative of the results to be expected for the full year or any future period.

Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The Company believes that the disclosures are adequate to make the interim information presented not misleading. These consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto included elsewhere in this Form 10.

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make a number of estimates and assumptions related to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of intangible assets; valuation allowances and reserves for receivables and inventory and deferred income taxes; revenue recognition related to contracts accounted for under the percentage of completion method; share-based compensation; and loss contingencies, including those related to litigation. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

We consider all highly liquid debt investments with an original maturity of three months or less at the date of acquisition to be cash equivalents. Periodically, we maintain deposits in financial institutions in excess of federally insured limits. As of March 31, 2013 and December 31, 2012, we did not hold any assets that would be deemed to be cash equivalents.

Restricted Cash

At March 31, 2013 and December 31, 2012, the company had $131,600 and $220,000, respectively, of self-imposed restricted cash that was maintained by its attorney in a special trust account created for the purpose of making payments to the IRS in accordance with an installment plan (see Note 8).

Accounts Receivable

Accounts receivable are recorded at the invoiced amounts less an allowance for doubtful accounts. The allowance for doubtful accounts is based on our estimate of the amount of probable credit losses in our accounts receivable. We determine the allowance for doubtful accounts based upon an aging of accounts receivable, historical experience and management judgment. Accounts receivable balances are periodically reviewed for collectability, and balances are charged off against the allowance when we determine that the potential for recovery is remote. An allowance for doubtful accounts of approximately $109,400 and $92,900 has been reserved as of March 31, 2013 and December 31, 2012, respectively.

Fair Value of Financial Instruments

The carrying amounts of our financial instruments, including accounts receivable and accounts payable, are carried at cost, which approximates their fair value due to their short-term maturities. We believe that the carrying value of notes payable with third parties, including their current portion, approximate their fair value, as those instruments carry market interest rates based on our current financial condition and liquidity. We believe the amounts due to related parties also approximate their fair value, as their carried interest rates are consistent with those of our notes payable with third parties.

Inventory

Inventory is stated at the lower of cost or market, generally using the specific identification method. Our inventory is primarily comprised of accumulated costs related to MV contracts. These costs represent recoverable costs incurred for production, including materials, engineering time billed as incurred and allocable operating overhead. Inventories are reviewed periodically and items considered to be slow-moving or obsolete are reduced to estimated net realizable value through an appropriate reserve. At March 31, 2013 and December 31, 2012, there was no inventory reserve.

Property and Equipment

Property and equipment are recorded at cost less accumulated depreciation. Expenditures for replacements, renewals and betterments are capitalized. Repairs and maintenance costs are expensed as incurred.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets of generally five to seven years for equipment, five to ten years for vehicles and three years for computer related assets. Assets are depreciated starting at the time they are placed into service. A portion of depreciation expense is charged to cost of product revenue on the consolidated statement of operations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Property and Equipment, continued

Leasehold improvements are amortized using the straight-line method over the shorter of the lease term (including reasonably assured renewal periods), which range from three to seven years, or their estimated useful life.

Intangible Assets

Intangible assets with estimable useful lives are amortized using the straight-line method over their respective estimated useful lives verses their estimated residual values, and are reviewed for impairment annually, or whenever events or circumstances indicate their carrying amount may not be recoverable. We conduct our annual impairment test on December 31 of each year. The Company has evaluated its intangibles for impairment and has determined that intangibles were not impaired.

Long-lived Assets

We evaluate the carrying value of long-lived assets for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An asset is considered to be impaired when the anticipated undiscounted future cash flows of an asset group are estimated to be less than its carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows. No impairment was determined as of March 31, 2013 and December 31, 2012.

Revenue Recognition

We recognize revenue related to contract projects and services when all of the following criteria are met: (i) persuasive evidence of an agreement exists, (ii) delivery has occurred or services have been rendered, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured. Our revenue is primarily comprised of services related to industrial cleaning and railcar cleaning, which we recognize as services are rendered.

Product revenue generated from projects, which include the manufacturing of products, for removal and treatment of hazardous vapor and gasses is accounted for under the percentage-of-completion method for projects with durations in excess of three months and the completed-contract method for all other projects. Total estimated revenue includes all of the following: (1) the basic contract price (2) contract options (3) change orders (4) claims and (5) contract provisions for penalties and incentive payments, including award fees and performance incentives.

Under the percentage-of-completion method, we recognize revenue primarily based on the ratio of costs incurred to date to total estimated contract costs. Performance incentives are included in our estimates of revenue using the percentage-of-completion method when their realization is reasonably assured. Cancellation fees are included in our estimates of revenue using the percentage-of-completion method when the cancellation notice is received from the client.

Provisions for estimated losses on uncompleted contracts are made in the period in which the losses are identified. The cumulative effect of changes to estimated contract profit and loss, including those arising from contract penalty provisions such as liquidated damages, final contract settlements, warranty claims and reviews of our costs performed by clients, are recognized in the period in which the revisions are identified. To the extent that these adjustments result in a reduction or elimination of previously reported profits, we report such a change by recognizing a charge against current earnings.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Revenue Recognition, continued

For contracts accounted for under the percentage-of-completion method, we include in current assets and current liabilities amounts related to construction contracts realizable and payable. Costs and estimated earnings in excess of billings on uncompleted contracts represent the excess of contract costs and profits recognized to date over billings to date, and are recognized as a current asset. Billings in excess of costs and estimated earnings on uncompleted contracts represents the excess of billings to date over the amount of contract costs and profits recognized to date, and are recognized as a current liability.

Stock-based Compensation

We account for stock-based awards at fair value on the date of grant, and recognize compensation over the service period that they are expected to vest. We estimate the fair value of stock options and stock purchase warrants using the Black-Scholes option pricing model. The estimated value of the portion of a stock-based award that is ultimately expected to vest, taking into consideration estimated forfeitures, is recognized as expense over the requisite service periods. The estimate of stock awards that will ultimately vest requires judgment, and to the extent that actual forfeitures differ from estimated forfeitures, such differences are accounted for as a cumulative adjustment to compensation expenses and recorded in the period that estimates are revised.

Research and Development

Research and development costs are charged to expense as incurred. Such expenses were $93,200 and $0, respectively, for the three months ended March 31, 2013 and 2012.

Income Taxes

The Company accounts for income taxes pursuant to *Accounting Standards Codification* ("ASC") 740, *Income Taxes,* which utilizes the asset and liability method of computing deferred income taxes. The objective of this method is to establish deferred tax assets and liabilities for any temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled. The current and deferred tax provision is allocated among the members of the consolidated group on the separate income tax return basis.

ASC 740 also provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the financial statements. Tax positions must meet a "more-likely-than-not" recognition threshold at the effective date to be recognized. During the three months ended March 31, 2013 and 2012 the Company recognized no adjustments for uncertain tax positions.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. No interest and penalties related to uncertain tax positions were recognized at March 31, 2013 and December 31, 2012. The Company expects no material changes to unrecognized tax positions within the next twelve months.

The Company has not filed federal and state tax returns since inception. The tax periods for the years ending December 31, 2008 through 2012 are open to examination by federal and state authorities.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Recently issued accounting pronouncements

Changes to accounting principles generally accepted in the United States of America (U.S. GAAP) are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (ASU's) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all new or revised ASU's.

In December 2011, the FASB issued an amendment to the accounting guidance for disclosure of offsetting assets and liabilities and related arrangements. The amendment expands the disclosure requirements in that entities will be required to disclose both gross information and net information about both instruments and transactions eligible for offset in the statement of financial position and instruments and transactions subject to an agreement similar to a master netting arrangement. The amendment is effective for fiscal years, and interim periods within those years, beginning on or after January 1, 2013, and shall be applied retrospectively. The adoption of this accounting pronouncement did not have a material impact on our financial statements.

In July 2012, the Financial Accounting Standards Board ("FASB") issued guidance which amends the guidance on testing indefinite-lived intangible assets, other than goodwill, for impairment. Under the new guidance, an entity testing an indefinite-lived intangible asset for impairment has the option of performing a qualitative assessment before calculating the fair value of the asset. If the entity determines, on the basis of qualitative factors, that the fair value of the indefinite-lived intangible asset is not more likely than not impaired, the entity would not need to calculate the fair value of the asset. The guidance is effective for the Company for our annual impairment test for fiscal 2014. The adoption of this guidance is not expected to have a significant impact on our consolidated financial position, results of operations, or cash flows.

In October 2012, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2012-04, "Technical Corrections and Improvements" in Accounting Standards Update No. 2012-04. The amendments in this update cover a wide range of Topics in the Accounting Standards Codification. These amendments include technical corrections and improvements to the Accounting Standards Codification and conforming amendments related to fair value measurements. The amendments in this update will be effective for fiscal periods beginning after December 15, 2012. The adoption of ASU 2012-04 did not have a material impact on our financial position or results of operations.

In March 2013, the FASB issued ASU 2013-05, "Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity," ("ASU 2013-05"). The objective of ASU 2013-05 is to clarify the applicable guidance for the release into net income of the cumulative translation adjustment upon derecognition of a subsidiary or group of assets within a foreign entity. ASU 2013-05 is effective for annual and interim reporting periods beginning after December 15, 2013 with early adoption permitted. The Company is currently evaluating the impact that the adoption will have on the determination or reporting of its financial results.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment was comprised of the following:

	March 31, 2013	December 31, 2012
Field and shop equipment	$ 1,110,100	$ 1,051,900
Vehicles	442,900	382,500
Furniture and office equipment	17,000	24,500
Leasehold improvements	55,500	55,500
	1,625,500	1,514,400
Less: accumulated depreciation and amortization	(747,100)	(762,300)
Property and equipment, net	$ 878,400	$ 752,100

Depreciation expense and amortization of leasehold improvements for the three months ended March 31, 2013 and 2012, was $65,600 and $63,700, respectively.

Property and equipment included the following amounts for leases that have been capitalized at:

	March 31, 2012	December 31, 2011
Field and shop equipment	$ 131,500	$ 148,500
Less: accumulated amortization	(24,400)	(29,500)
	$ 107,100	$ 119,000

NOTE 4 – INTANGIBLE ASSETS

Intangible assets were comprised of the following:

	March 31, 2013		
	Gross carrying amount	Accumulated amortization	Net carrying value
Customer list	$ 42,500	$ (29,400)	$ 13,100
Technology	712,100	(312,400)	399,700
Trade name	54,600	(37,700)	16,900
	$ 809,200	$ (379,500)	$ 429,700

	December 31, 2012		
	Gross carrying amount	Accumulated amortization	Net carrying value
Customer list	$ 42,500	$ (27,800)	$ 14,700
Technology	712,100	(294,700)	417,400
Trade name	54,600	(35,800)	18,800
	$ 809,200	$ (358,300)	$ 450,900

NOTE 4 – INTANGIBLE ASSETS, continued

The estimated useful lives of the intangible assets range from seven to ten years. Amortization expense was $21,300 and $21,300 for the three months ended March 31, 2013 and 2012, respectively. The estimated aggregate amortization expense for each of the next five years is as follows:

2013	$ 85,100
2014	85,100
2015	77,000
2016	71,200
2017	71,200
Thereafter	61,300
	$ 450,900

NOTE 5 - ACCRUED LIABILITIES

Accrued liabilities were comprised of the following:

	March 31, 2013	December 31, 2012
Accrued compensation and related taxes	$ 367,700	$ 385,100
Accrued interest	59,000	61,600
Accrued material and other job related costs	51,100	30,700
Other	10,900	21,700
	$ 488,700	$ 499,100

NOTE 6 - UNCOMPLETED CONTRACTS

Costs, estimated earnings and billings on uncompleted contracts are as follows:

	March 31, 2013	December 31, 2012
Revenue Recognized	$ 929,400	$ 63,800
Less: Billings to date	(751,900)	(28,300)
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 177,500	$ 35,500
Billings to date	$ 846,800	$ 775,800
Revenue recognized	(384,300)	(448,400)
Billings in excess of costs and estimated earnings on uncompleted contracts	$ 462,500	$ 327,400

NOTE 7– INVESTMENT IN PARAGON WASTE SOLUTIONS LLC

In 2010, the Company and Black Stone Management Services, Inc. ("Black Stone") formed PWS whereby 1,000,000 membership units were issued, the Company acquired 60% (600,000) of the membership units in PWS and Black Stone acquired 40% (400,000) of the membership units in PWS, respectively. In June 2012, the Company and Blackstone each allocated 10% of their respective membership units in PWS to two individuals, one of which is an officer of the Company and one which is a shareholder of the Company and an officer of a subsidiary. There was no value to the units at the time of the allocation. As of December 31, 2012 the Company owns 54% of the membership units, Black Stone 36% of the membership units and two individuals, one of which is an officer of the Company and one who is a shareholder, each own 5% each of the membership units.

In August, 2011, we acquired certain waste destruction technology intellectual property (the "IP") from Black Stone in exchange for 1,000,000 shares of our common stock valued at $100,000. We estimated the useful life of the IP at ten years, which was consistent with the useful life of other technology included in our intangible assets, and management's initial assessment of the potential marketability of the IP.

During 2012, we have provided approximately $415,000 in funding to PWS for further development and construction of a prototype commercial waste destruction unit. For the three months ended March 31, 2013 we provided $135,800 in funding to PWS. Black Stone has made no capital contributions or other funding to PWS. The intent of the operating agreement is that we will provide the funding as an advance against future earnings distributions made by PWS.

NOTE 8 - PAYROLL TAXES PAYABLE

In 2009 and 2010, the Company became delinquent for unpaid federal employer and employee payroll taxes and accrued interest and penalties related to the unpaid payroll taxes. Additionally, we had amounts outstanding for certain unpaid state payroll taxes and accrued interest and penalties applicable to 2012 and 2011. All interest and penalties related to the delinquent federal and state payroll taxes are included in the section labeled "other income and expenses" in the consolidated statement of operations.

In September 2011, we received approval from the IRS to begin paying our outstanding federal payroll tax and related interest and penalties liabilities totaling approximately $971,000, for the aforementioned years in installments (the "Installment Plan"). Under the Installment Plan, we were required to pay minimum monthly installments of $12,500 commencing September 2011, which increased to $25,000 per month in September 2012, until the liability is paid in full. Through the duration of the Installment Plan, the IRS continues to charge penalties and interest at statutory rates. If the conditions of the Installment Plan are not met, the IRS may cancel it and may demand the outstanding liability to be repaid through a levy on income, bank accounts or other assets, or by seizing certain of our assets. Additionally, the IRS has filed a notice of federal tax lien against certain of our assets to satisfy the obligation. The IRS is to release this lien if and when we pay the full amount due. As of March 31, 2013 and December 31, 2012, the outstanding balance due to the IRS was $988,300, and $1,045,400, respectively. Two of the officers' of the Company also have liability exposure for a portion of the taxes if the Company does not pay them.

As of March 31, 2013 and December 31, 2012, the amounts due for past due state payroll taxes, interest and penalties, was $65,100 and $35,400, respectively.

NOTE 9 – DEBT

In June 2011, we issued an unsecured promissory note to a third party in the amount of $40,000 (the "June 2011 Note") bearing interest at a rate of 10% per annum and a three year warrant to purchase 13,000 shares of our common stock at an exercise price of $1.00 per share. In addition, a second note payable, to the same third party, in the amount of $25,000 plus $3,000 of accrued interest was also converted into the June 2011 Note, resulting in a new principal balance of $68,000. Principal payments were due beginning November 2011 and the June 2011 Note is in default as of December 31, 2012, as no payments have been made to date. We valued the warrant at $170 using the Black-Scholes model and recorded this amount as a debt discount. The debt discount was fully amortized during 2011.

In December 2011, we issued a secured promissory note to a third party in the amount of $50,000 (the "December 2011 Note") bearing interest at 18% per year, secured by certain assets in TCC and a five year warrant to purchase 25,000 shares of our common stock at an exercise price of $0.50 per share. We valued the warrant at $5,749 using the Black-Scholes model and recorded this amount as a debt discount. The December 2011 Note was paid in full in June 2012.

The Company entered into a loan agreement evidenced by a convertible secured promissory note with Advanced Technology Materials, Inc. on February 14, 2012. The amount of the convertible secured promissory note is $225,000. The loan agreement allows for an additional $225,000 to be borrowed upon meeting certain defined milestones and stipulates the Company provide the lenders, among other things, a security agreement which also identifies the collateral, a registration rights agreement granting piggy-back registration rights to the lender, a development agreement and use the loan proceeds for projects and transactions contemplated in the term sheet and development agreement. The note bears interest at 5 percent per annum. The entire loan and/or unpaid balance of the loan and accrued interest can be converted into the Company’s common stock at $0.50 per share at any time at the option of the holder. However, if the lender does not convert any of the principal or interest into common stock then $112,500 of principal plus accrued interest will be due on demand on or after December 31, 2014.

NOTE 9 – DEBT, continued

Debt as of March 31, 2013 and December 31, 2012, was comprised of the following:

	2013	2012
June 2011 Note (See above)	$ 68,000	$ 68,000
Note payable dated February 2012, interest at 5% per annum, $112,500 is due December 31, 2014, convertible in whole or in part to common stock at $.50 per share.	225,000	225,000
Promissory note dated April 2008, secured by certain of our assets, bearing interest at 6.65% per annum; 60 monthly payments of $14,276, maturing April 2013.	42,400	70,200
Promissory note dated December 2009, unsecured, bearing interest at 6% per annum, six monthly payments ranging from $10,000 to $25,000 commencing February 2010, balloon payment for outstanding balance due July 2010. The promissory note is in default as of December 31, 2012 and 2011.	104,200	104,200
Promissory note dated November 2010, unsecured, bearing interest at 8% per annum, balloon payment for outstanding balance due October 2011. The promissory note is in default as of December 31, 2012 and 2011.	25,000	25,000
Capital lease obligations, secured by certain assets, maturing September 2011 through August 2016	98,000	109,000
Total notes payable and capital lease obligation	562,600	601,400
Less: current portion, including debt discount	(281,000)	(319,800)
Notes payable and capital lease obligation, long-term	$ 281,600	$ 281,600

In June 2012, a final payment of $25,000 was made and we and the note holder agreed to a settlement amount for all principal and interest due of $446,000, which the notes holder converted into 900,000 shares of our common stock.

NOTE 10 – RELATED PARTY TRANSACTIONS

Notes payable, related parties

In February 2011, we executed a secured, promissory note with one of our officers in the amount of $50,000 (the "2011 Officer Note"). The 2011 Officer Note is secured by certain assets in MV and bears interest at 8% per annum and was originally due on August 15, 2011. It is currently due on demand. As additional consideration, we issued to the officer a five-year warrant to purchase 25,000 shares of our common stock at an exercise price of $0.60 per share. We valued the warrant at approximately $6,000 using the Black-Scholes model and recorded this amount as a debt discount. The debt discount was fully amortized during 2011.

NOTE 10 – RELATED PARTY TRANSACTIONS, continued

Notes payable, related parties and accrued interest due to certain related parties as of March 31, 2013 and December 31, 2012 are as follows:

	2013	2012
Note payable dated February 2004, bearing interest at 8% per annum, originally due January 2008; assigned to CEO by a third party in 2010; due on demand, in default	$ 97,000	$ 97,000
Note payable due to President of our subsidiary, REGS, interest at 8% per annum, originally due February 2009, in default	2,300	4,200
2011 Officer Note (see description above), in default	50,000	50,000
Accrued interest	42,100	39,200
	$ 191,400	$ 190,400

We believe the stated interest rates on the related party notes payable represent reasonable market rates based on the note payable arrangements we have executed with third parties.

NOTE 11 – EQUITY TRANSACTIONS

In December 2012, we initiated a new private placement comprised of 200,000 shares and 100,000 warrants for $50,000. Each warrant is exercisable for a period of three years at an exercise price of $.50 per share. For the three months ended March 31, 2013 we sold 9.9 units for proceeds of $494,000.

NOTE 12 – CUSTOMER CONCENTRATIONS

The Company had sales from operations to two customers for the three months ended March 31, 2013 and 2012 that represented approximately 34% and 30% of our sales. The concentration of the Company's business with a relatively small number of customers may expose us to a material adverse effect if one or more of these large customers were to experience financial difficulty or were to cease being customer for non-financial related issues.

NOTE 13 – NET LOSS PER SHARE

Basic net loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding. Diluted net loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares. Potentially dilutive securities are excluded from the calculation when their effect would be anti-dilutive. For all years presented in the consolidated financial statements, all potentially dilutive securities have been excluded from the diluted share calculations as they were anti-dilutive as a result of the net losses incurred for the respective years. Accordingly, basic shares equal diluted shares for all years presented.

Potentially dilutive securities were comprised of the following:

	March 31,	
	2013	2012
Warrants	6,487,500	2,777,000
Options	2,234,000	2,552,700
Convertible notes payable	225,000	900,000
	8,946,500	6,229,700

NOTE 14 - ENVIRONMENTAL MATTERS AND REGULATION

Significant federal environmental laws affecting us are the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), also known as the "Superfund Act", the Clean Air Act, the Clean Water Act, and the Toxic Substances Control Act ("TSCA").

Pursuant to the EPA's authorization of their RCRA equivalent programs, a number of states have regulatory programs governing the operations and permitting of hazardous waste facilities. Our facilities are regulated pursuant to state statutes, including those addressing clean water and clean air. Our facilities are also subject to local siting, zoning and land use restrictions. Although our facilities occasionally have been cited for regulatory violations, we believe we are in substantial compliance with all federal, state and local laws regulating our business.

NOTE 15 - SEGMENT INFORMATION AND MAJOR CUSTOMERS

We operate in three business segments; industrial cleaning, railcar cleaning, and environmental solutions. The composition of our reportable segments is consistent with that used by our chief operating decision maker to evaluate performance and allocate resources. All of our operations are located in the U.S. We have allocated corporate selling, general and administrative expenses, interest expense, depreciation and amortization and stock-based compensation to the segments based on a percentage of a segment's revenue to total consolidated revenue. All intercompany transactions have been eliminated.

Segment information for the three months ended March 31, 2013 and 2012 is as follows:

2013	Industrial Cleaning	Railcar Cleaning	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$1,118,100	$ 549,100	$ 901,600	-	-	$2,568,800,
Depreciation and amortization (1)	$ 47,100	$ 5,900	$ 31,400	-	$ 2,500	$ 86,900
Interest expense	$ 7,800	$ 9,700	$ 2,600	-	$ 3,800	$ 23,900
Stock-based compensation	-	-	-	-	$ 5,500	$ 5,500
Net income (loss)	$ 22,100	$ 75,400	$ 118,900	$ (80,300)	$ (376,000)	$ (239,900)
Capital expenditures (cash and noncash)	$ 150,900	$ 40,900	-	-	-	$ 191,800
Total assets	$1,580,900	$ 448,700	$ 1,063,700	-	$ 157,700	$ 3,251,000

2012	Industrial Cleaning	Railcar Cleaning	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 351,600	$ 546,300	$ 204,900	-	-	$1,102,800
Depreciation and amortization (1)	$ 46,700	$ 6,300	$ 29,400	-	$ 2,500	$ 84,900
Interest expense	$ 44,100	$ 13,800	$ 1,800	-	$ 7,600	$ 67,300
Stock-based compensation	-	-	-	-	$ 30,400	$ 30,400
Net income (loss)	$ (144,100)	$ 69,300	$ (75,000)	-	$ (266,700)	$ (416,500)
Capital expenditures (cash and noncash)	$ 1,300	-	$ 21,300	-	-	$ 22,600
Total assets	$ 738,900	$ 453,000	$ 827,100	-	$ 105,100	$2,124,100

(2) Includes depreciation of property, equipment and leasehold improvement and amortization of intangibles