

SHAREHOLDER BULLETIN

Quick Facts:**Stock Symbol:** OMOG**YTD High:** \$0.0161**YTD Low:** \$0.004**Outstanding Shares:**

1,699,000,419

Transfer Agent:

Signature Stock Transfer

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Chairman Adam Barnett Continues Question and Answer Newsletter Series

Last week, we announced the company would be releasing a five segment series of question and answer newsletters. This is the second part of that newsletter series and it will focus on our current projects. I appreciate everyone that has submitted questions, and I again urge everyone to please take the time to submit your inquiries to IR@omogoil.com with the subject line "Questions for Adam Barnett."

Q. What is the current status of the Concorde Dome project?

A. All shareholders should pay particular interest to this project. As most of you know by now, as part of the basis of settlement reached in mediation, Lanza et al. was to return all working interests to OMDA . Barnabas Capital Corporation, Hoactzin Partners and Tengasco, Inc. reached a settlement with OMDA regarding this 12 well re-completion program in the Concord Dome Field, near Palestine Texas that guarantees OMDA a minimum of 7.5% to a maximum of 37.5% working interest after pay-out of all reworking expenditures upon our success in the Lanza et al lawsuit. The managing partner has reported to OMDA that he estimates that 1.1 million barrels of recoverable oil is still in place.

Due to our litigation proceedings, we have had to be very quiet about this project and its potential. I have thought many times that we would be able to give the shareholders some hard facts and figures regarding production and future revenues. Unfortunately, our legal counsel has, once again, advised me to refrain from releasing too much information at this time. All I can say is that drilling has commenced in the Concorde Dome project, and even though we can not release the actual production numbers, I am extremely pleased with the current feedback from the project operator.

Q. Have we been successful in selling the Panola project?

A. . OMDA purchased this 75% Working Interest (which translates into a 56.4% net of the working interest) of the Panola Field Prospect in Panola County Texas approximately 18 months ago for \$100,000. As OMDA outlined in prior newsletters and press releases, the costs associated with developing the Panola prospect was estimated at over \$800,000 per well. These astronomical costs, along with ever-increasing oil & gas prices, made it an easy choice for OMDA to pursue selling this asset for a profit. We recently opted out of our LOI with Consumer Direct of America (CSUA) for a variety of reasons. First, they have decided not to change their business model to focus on Oil & Gas production. Second, we felt uneasy about accepting a large part of the purchase contract in the form of CSUA common stock.

We have decided that OMDA should seek lower risk projects that are currently available and have negotiated the basis of an agreement to sell our interest in this lease to the operator. This would not only provide OMDA some cash liquidity, but it would also help develop revenue from production. The company will release an announcement when any formal agreement is completed.

Q. I know we are involved in a legal battle with Young, but are we receiving any revenues from the producing gas wells?

A. In our agreement with Young Oil Corp., we had originally purchased a 20% Gross (15% net) working interest in the first six wells and had a "First right of refusal" to participate in both Oil & Gas wells to be drilled on the balance of 46,000 acres. We paid an initial \$150,000 for this working interest, which was supposed to cover all expenses from drilling to completion including being hooked into the necessary production pipelines. We were told, via e-mails and phone conversations with the operator, that OMDA had three commercially viable wells and that we would begin to see revenues late last year and be paid no later than March of this year. I will not go into the specifics of the lawsuit in this newsletter, as I will save that for part three; however, I will address the revenue situation. We have never received a check from Young Oil Corp., neither have we received the documentation suggesting that the gas wells are not producing. Through the discovery process in our current lawsuit, we will determine if and how much the wells are producing, if they are or have ever been hooked into a pipeline, and what revenues are recoverable and owed to OMDA Oil & Gas, Inc..

We will issue press releases and subsequent newsletters updating the legal case against Young as soon as possible.

Q. Have we begun drilling the KY-Tenn Project?

A. We recently invested \$30,000 in this 3 well drilling program. We had announced, based on information from the operator, that we were to begin drilling last month. We have since found out that there is a delay in the drilling of this project, and we are awaiting details. OMDA has learned from its mistakes in the past, and will not keep valuable funds tied up in projects that are not moving forward. We have already informed the operator of the KY-Tenn project that if any genuine problems arise from this project, we will expect a full refund, and the operator has agreed. We will offer further updates as we receive them.

Q. What are our plans for other future projects?

A. I plan to give a complete update in the fifth installment of this newsletter on our overall company outlook including future project development. We are actively investigating several investment options at this time. We are not going to rush into any projects merely because we have the funds to invest; however, we do fully expect to invest both the Panola funds and the KY-Tenn funds (if the project does not go as scheduled) in new oil and gas projects. These new oil and gas projects will be evaluated based on stepped-up criteria that will hopefully eliminate the problems of the past.

I urge everyone again to keep sending all their questions to IR@omogoil.com with subject line: "Questions for Adam Barnett".

Thank you and I look forward to releasing the next segment, which will focus on legal matters, later this week or next week.

Adam Barnett

OMDA Oil & Gas, Inc.