

ENTHEOS TECHNOLOGIES INC
Form DEF 14A
November 02, 2009

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

ENTHEOS TECHNOLOGIES, INC.

(Name of Registrant As Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

No fee required

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):_____

4) Proposed maximum aggregate value of transaction:_____

5) Total fee paid:_____

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid: _____

2) Form, Schedule or Registration Statement No.: _____

3) Filing Party: _____

4) Date Filed: _____

ENTHEOS TECHNOLOGIES, INC.

888 3rd Street SW, Suite 1000

Calgary, AB T2P 5C5

Telephone: 800-755-5815

November 2, 2009

Dear Stockholders:

You are cordially invited to attend the 2009 Annual Meeting of Stockholders of Entheos Technologies, Inc. The meeting will be held at 10:00 a.m., local time, on December 14, 2009, at 888 3rd Street SW, Suite 1000, Calgary, AB T2P 5C5. Enclosed are the official notice of this meeting, a proxy statement, a form of proxy and the 2008 Annual Report on Form 10-K/A for the year ended December 31, 2008.

At this meeting you will be asked to elect directors to serve until the next annual meeting, ratify the selection of the Company's independent auditors for 2009, and to transact any other business as may properly come up before the meeting.

Please note that attendance at the Annual Meeting will be limited to stockholders of record at the close of business on November 2, 2009, and to guests of the Company.

If your shares are registered in your name and you plan to attend the Annual Meeting, please bring the enclosed ballot with you to the meeting.

If your shares are held by a broker, bank or other nominee and you plan to attend the meeting, please contact the person responsible for your account regarding your intention to attend the meeting so they will know how you intend to vote your shares at that time. Stockholders who do not expect to attend the Annual Meeting in person may submit their ballot to the Management of the Company at 888 3rd Street SW, Suite 1000, Calgary, AB T2P 5C5.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Derek Cooper

Derek Cooper

President, Chief Executive Officer and Director

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

OF ENTHEOS TECHNOLOGIES, INC. TO BE HELD DECEMBER 14, 2009

To the Stockholders of Entheos Technologies, Inc.:

NOTICE IS HEREBY GIVEN that the 2009 Annual Meeting of Stockholders (the "Annual Meeting") of Entheos Technologies, Inc., a Nevada corporation (the "Company"), will be held at 888 3rd Street SW, Suite 1000, Calgary, Alberta on the 14th day of December, 2009, at 10:00 a.m. (local time) for the following purposes:

1. To elect 3 directors to the Board of Directors to serve until the next Annual Meeting of stockholders or until their respective successors are duly elected and have qualified;
2. To ratify the appointment of Peterson Sullivan, LLP, as the Company's independent auditor for the fiscal year ending December 31, 2009;
3. To transact any and all other business that may properly come before the Annual Meeting or any adjournment(s) thereof.

Pursuant to the Company's Bylaws (the "Bylaws"), the record date (the "Record Date") for the determination of stockholders entitled to notice of and to vote at such meeting or any adjournment(s) thereof shall be the close of business on November 2, 2009. Only holders of record of the Company's Common Stock at the close of business on the Record Date are entitled to notice of and to vote at the Annual Meeting. Shares can be voted at the Annual Meeting only if the holder is present or represented by proxy. The stock transfer books will not be closed.

A copy of the Company's 2008 Annual Report to Stockholders, in the form of the 10-K/A filed with the Securities and Exchange Commission, which includes audited financial statements, has been included in this mailing to the Company's stockholders. A list of stockholders entitled to vote at the Annual Meeting will be available for examination at the offices of the Company for ten (10) days prior to the Annual Meeting.

You are cordially invited to attend the Annual Meeting; whether or not you expect to attend the meeting in person, however, you are urged to mark, sign, date, and mail or telefax the enclosed form of proxy promptly so that your shares of stock may be represented and voted in accordance with your wishes and in order that the presence of a quorum may be assured at the meeting. Your proxy will be returned to you if you should be present at the Annual Meeting and should request its return in the manner provided for revocation of proxies on the initial page of the enclosed proxy statement.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Derek Cooper

Derek Cooper

President, Chief Executive Officer and Director

Calgary, AB

November 2, 2009

ENTHEOS TECHNOLOGIES, INC.

888 3rd Street SW, Suite 1000

Calgary, AB T2P 5C5

PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD DECEMBER 14, 2009

SOLICITATION AND REVOCABILITY OF PROXIES

The accompanying proxy is solicited by the Board of Directors on behalf of Entheos Technologies, Inc., a Nevada corporation (sometimes referred to in this Proxy Statement as the "Company," we, our, and us), to be voted at the 2009 Annual Meeting of Stockholders of the Company (the "Annual Meeting") to be held on December 14, 2009, at the time and place and for the purposes set forth in the accompanying Notice of Annual Stockholders (the "Notice") and at any adjournment(s) thereof. **When proxies in the accompanying form are properly executed and received, the shares represented thereby will be voted at the Annual Meeting in accordance with the directions noted thereon; if no direction is indicated, such shares will be voted FOR the election of the nominees listed thereon, FOR the ratification of the independent auditor, and in their discretion with respect to any other matters that may properly come before the stockholders at the Annual Meeting.**

The executive offices of the Company are located at, and the mailing address of the Company is 888 3rd Street SW, Suite 1000, Calgary, AB. Management does not anticipate that any matters will be presented at the Annual Meeting other than matters set forth in the Notice.

This proxy statement (the "Proxy Statement") and accompanying proxy are being mailed on or about November 12, 2009. The Company's Annual Report on Form 10-K/A (the "2008 Annual Report"), which serves as the Annual Report to Stockholders, covering the Company's fiscal year ended December 31, 2008, is attached.

Any stockholder of the Company giving a proxy has the right to revoke their proxy at any time prior to the voting thereof by voting in person at the Annual Meeting, by delivering a duly executed proxy bearing a later date or by giving written notice of revocation to the Company addressed to Derek Cooper, President, 888 3rd Street SW, Suite 1000, Calgary, AB, T2P 5C5; no such written notice shall be effective, however, until such notice of revocation has been received by the Company at or prior to the Annual Meeting.

In addition to the solicitation of proxies by use of the mail, officers and regular employees of the Company may solicit the return of proxies, either by mail, telephone, telefax, telegraph or through personal contact. Such officers and employees will not be additionally compensated but will be reimbursed for out-of-pocket expenses. Brokerage houses and other custodians, nominees, and fiduciaries will, in connection with shares of the Company's common stock, \$0.00001 par value per share (the "Common Stock"), registered in their names, be requested to forward solicitation material to the beneficial owners of such shares of Common Stock.

The cost of preparing, printing, assembling, and mailing the 2008 Annual Report, the Notice, this Proxy Statement, and the enclosed form of proxy, as well as the cost of forwarding solicitation materials to the beneficial owners of shares of Common Stock and other costs of solicitation, are to be borne by the Company.

QUORUM AND VOTING

The record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting was the close of business on November 2, 2009 (the "Record Date"). On the Record Date, there were 63,075,122 shares of Common Stock issued and outstanding.

Each share of Common Stock is entitled to one vote on all matters to be acted upon at the Annual Meeting, and neither the Company's Certificate of Incorporation (the "Certificate of Incorporation") nor its Bylaws allow for cumulative voting rights.

The presence, in person or by proxy, of the holders of a **majority** of the issued and outstanding Common Stock entitled to vote at the meeting is necessary to constitute a quorum to transact business. If a quorum is not present or represented at the Annual Meeting, the stockholders entitled to vote thereat, present in person or by proxy, may adjourn the Annual Meeting from time to time without notice or other announcement until a quorum is present or represented. Assuming the presence of a quorum, the affirmative vote of a plurality of votes cast is required for the election of each of the nominees for director. A majority of the votes represented and entitled to vote at the Annual Meeting will be required for the approval of all other matters to be voted upon. Abstentions and broker non-votes will each be counted towards the presence of a quorum, but (i) will not be counted as votes cast and, accordingly, will have no effect on the plurality vote required for the election of directors, and (ii) will be counted as votes represented at the Annual Meeting and, accordingly, will have the effect of a vote "against" all other matters to be acted upon.

Proxies in the accompanying form which are properly executed and returned to the Company will be voted at the Annual Meeting in accordance with the instructions contained in such proxies and, at the discretion of the proxy holders, on such other matters as may properly come before the meeting. Where no such instructions are given, the shares will be voted for the election of each of the nominees for director and the ratification of Peterson Sullivan, LLP as the independent auditor.

A stockholder that intends to present a proposal at the 2009 Annual Meeting of Stockholders for inclusion in the Company's proxy statement and form of proxy relating to such meeting must submit such proposal by November 23, 2009. The proposal must be mailed to the Company's offices at 888 3rd Street SW, Suite 1000, Calgary, AB.

RIGHT TO REVOKE PROXIES

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before it is voted. Proxies may be revoked by:

- filing with the President of the Company, before the polls are closed with respect to the vote, a written notice of revocation bearing a later date than the proxy;
- duly executing a subsequent proxy relating to the same shares of Common Stock and delivering it to the President of the Company; or
- attending the Meeting and voting in person (although attendance at the Meeting will not in and of itself constitute a revocation of a proxy).

Any written notice revoking a proxy should be sent to: 888 3rd Street SW, Suite 1000, Calgary, AB, Attention: Derek Cooper.

SUMMARY

The Company is a small independent oil and gas production company with a focus on participation in producing and the redevelopment/recompletion of oil and gas wells. Incorporated under the laws of the State of Nevada, the Company has an authorized capital of 200,000,000 shares of \$0.00001 par value common stock, of which 63,075,122 shares are outstanding and 10,000,000 shares of \$0.0001 par value preferred stock, of which none are outstanding.

From 2002 until September 2008, through our wholly-owned subsidiary Email Solutions, Inc., the Company served as an Application Service Provider (ASP) providing outsourced email and search engine optimization services. Due to the limited success of our ASP business, management decided that it was in the best interest of our stockholders to abandon the Application Service Provider business and focus

on identifying undervalued oil and gas opportunities for acquisition, development and exploration. The assets and liabilities, the results of operations and cash flows related to the ASP business were not classified as discontinued operations as the amounts were not significant.

Oil and Gas Properties

In September 2008, the Company acquired a 21.75% working interest (16.3125% net revenue interest) in the Cooke #6 well located at the Cooke Ranch field in La Salle County, Texas which has been producing oil and gas from the Escondido formation since 2007. In September 2008, the company acquired a 20.00% working interest (15.00% net revenue interest) in Onnie Ray #1 Well in Lee County, Texas and the Stahl #1 Well in Fayette County, Texas which were subsequently reentered and are producing gas from the Austin Chalk formation and a 20.00% working interest (15.00% net revenue interest) in the Haile #1 Well in Frio County, Texas which is currently scheduled for re-entry operations. The leases for these properties are maintained and operated by Leexus Oil LLC and Bayshore Exploration LLC; there are no obligations to further explore or develop lands in the lease areas to maintain the leases. The operators of the leases are not affiliated with Entheos or any of its directors or major shareholders.

The Company's 2008 Annual Report, a copy of which is attached, provides a description of our operations during the past year.

The following is a brief summary of certain information contained elsewhere in this Proxy Statement. This summary is not intended to be complete and is qualified in all respects by reference to the detailed information appearing elsewhere in this Proxy Statement.

THE MEETING

Date, Time and Place of the Annual Meeting

The Annual Meeting of Entheos Technologies, Inc. is scheduled to be held on December 14, 2009, at 10:00 a.m. (local time) at 888 3rd Street SW, Suite 1000, Calgary, AB T2P 5C5.

Record Date

Only holders of record of shares of Common Stock at the close of business on November 2, 2009, are entitled to receive notice of and to vote at the Annual Meeting.

Vote Required

Assuming the presence of a quorum, the affirmative vote of a plurality of votes cast is required for the election of each of the nominees for director. A majority of the votes cast with a quorum present at the Annual Meeting will be required for the approval of all other matters to be voted upon.

Accountants

Peterson Sullivan, LLP has been selected by the Company to act as its independent auditor for 2009. It is not expected that the representatives of Peterson Sullivan, LLP will attend the Annual Meeting or be available to answer questions from the stockholders.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of September 30, 2009, the beneficial ownership of the Company's Common Stock by each director and executive officer of the Company and each person known by the Company to beneficially own more than 5% of the Company's Common Stock outstanding as of such date and the executive officers and directors of the Company as a group.

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Number of Shares of Common Stock	Percent
Derek J. Cooper 888 3rd Street SW, Suite 1000 Calgary, AB T2P 5C5	10,000(1)(2)(3) 0.0%
Christian Hudson 888 3rd Street SW, Suite 1000 Calgary, AB T2P 5C5	10,000(1)(2) 0.0%
Jeet Sidhu 888 3rd Street SW, Suite 1000 Calgary, AB T2P 5C5	10,000(1)(2)(4) 0.0%
Frank Fabio 888 3rd Street SW, Suite 1000 Calgary, AB T2P 5C5	0(1)(5) 0.0%
1420525 Alberta Ltd. (6)(7) 1628 West 1st Avenue, Suite 216 Vancouver, BC V6J 1G1	32,639,800(7) 52%
Directors and Executive Officers as a group (4 persons)	0 0.0%

(1) 200,000 stock options (50,000 to each of Messrs. Cooper, Hudson, Fabio and Sidhu) were granted on September 12, 2008; the exercise price per share is \$1.00; the options vest at the rate of 10,000 per annum in arrears commencing September 12, 2009.

(2) Each of Messrs. Cooper, Hudson and Sidhu were appointed to the Company's Board of Directors on September 12, 2008.

(3) Mr. Cooper was appointed the Company's Chief Executive Officer and President on September 12, 2008.

(4) Does not include 2,500,000 shares held in trust for the benefit of Mr. Sidhu's children over which Mr. Sidhu has neither voting nor disposition authority; Mr. Sidhu disclaims any beneficially ownership interest in and to such shares.

(5) Mr. Fabio was appointed the Company's Chief Financial Officer and Secretary on September 12, 2008 and resigned on January 9, 2009. At the time of his resignation none of the options had vested. Under the terms of his Option Agreement the unvested options terminated immediately. None of Mr. Fabio's options had vested.

(6) 1420525 Alberta Ltd. is a private corporation the sole shareholder of which is Harmel S. Rayat; Mr. Rayat was our former Chief Executive Officer, Chief Financial Officer, Secretary and director. Mr. Rayat resigned his positions with us on September 12, 2008.

(7) Does not include 6,000,000 shares held in trust for the benefit of Mr. Rayat's children over which Mr. Rayat has neither voting nor disposition authority; Mr. Rayat disclaims any beneficial ownership interest in and to such shares.

Remuneration and Executive Compensation

No executive officer of the Company had a total annual salary and bonus for the fiscal year ended December 31, 2008 that exceeded \$15,000.

Because of our limited operations we do not have any executive officers who are employees of the Company and therefore we have not incurred any payroll expenses during the fiscal years 2006, 2007 and 2008. We have compensated certain of our officers, who are also acting as directors, a monthly stipend of \$2,500 for their services as officers and have compensated our directors with stock option grants.

The following table shows, for the three-year period ended December 31, 2008, the cash compensation paid by the Company, as well as certain other compensation paid for such year, to the Company's Chief Executive Officer and the Company's other most highly compensated executive officers.

Summary Compensation Table

Name and Principal Position	Year	Salary	Other	Options Awards (\$)	Total
Derek Cooper	2008	0	10,000(2)	\$ 4,840	
President, CEO,	2007	n/a			
Chief Financial Officer	2006	n/a			
and Director					
Harmel S. Rayat (1)	2008	\$ 0	\$ 0	\$ 0	0
President, CEO,	2007	\$ 0	\$ 0	\$ 0	0
Chief Financial Officer	2006	\$ 0	\$ 0	\$ 4,500	0
and Director					
Tim Luu (1)	2008	\$ 0	\$ 0	\$ 0	0
Secretary, Treasurer	2007	\$ 0	\$ 0	\$ 3,000	0
Chief Technology Officer	2006	\$ 0	\$ 0	\$ 3,300	0
and Director					

(1) Each of Messrs. Rayat and Luu resigned all of their respective positions with the Company on September 12, 2008.

(2) Other compensation represents fees paid Derek Cooper as a Director of the Company.

Stock Option Grants in Last Fiscal Year

Shown below is further information regarding stock options awarded during 2008 to the named officers and directors:

Name	Number of		Exercise	Expiration
	Securities	% of Total		
	Underlying	Options Granted		
	Options	in 2008(1)	Price (\$/sh)	Date
Derek J. Cooper	50,000	25%	\$ 1.00	9/12/2018
Harmel Rayat(2)	0	0	n/a	n/a
Tim Luu (1)	0	0	n/a	n/a

(1) Mr. Cooper received the options in his capacity as a director.

(2) Resigned as an officer and director on September 12, 2008.

Aggregated Option Exercises During Last Fiscal Year and Year End Option Values

The following table shows certain information about unexercised options at year-end with respect to the named officers and directors:

Name	Common Shares Underlying Unexercised		Value of Unexercised In-the-money		Option Expiration Date
	Options on December 31, 2008	Options on December 31, 2008	Options on December 31, 2008	Options on December 31, 2008	
	Exercisable	Unexercisable	Exercisable	Unexercisable	
Derek J. Cooper(1)	0	50,000	0	\$ 50,000	9/12/2018
Harmel Rayat (2)	0	0	0	0	
Tim Luu (2)	0	0	0	0	

(1) The option vested as to 10,000 shares on September 12, 2009.

(2) Resigned as an Officer and Director on September 12, 2008.

Related Transactions

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Executive Management: For the year ended December 31, 2008, the Company incurred \$10,000 in fees paid to the Derek Cooper the President, Chief Executive Officer and Chief Financial Officer of the Company. In addition, during September 2008, the Company granted stock options to purchase 50,000 shares of common stock to Mr. Cooper. For the year ended December 31, 2008, the Company recorded \$4,840 as stock compensation expense related to this stock grant.

Director Fees: For the year ended December 31, 2008, the Company incurred \$25,000 in board fees for non-employee directors of the Company. During 2008, the Company granted a total of 150,000 options to purchase common stock to non-employee board members. For the year ended December 31, 2008, the Company recorded \$14,520 as stock compensation expense relating to these stock grants. During the year ended December 31, 2007, the Company paid management fees of \$1,500 to the directors. There is no management or consulting agreements in effect.

Accounts payable related party: As of September 1, 2008, the Company settled all amounts owed to former director and majority shareholder, amounting to \$24,811, outstanding for management fees (the balance was forgiven for no consideration). The amount outstanding was recorded as an increase to additional paid-in capital. As of December 31, 2008 and 2007 accounts payable to related parties were \$12,077 and \$23,812 respectively.

Rent: Until August 31, 2008, the Company's administrative office was located at 1628 West 4th Avenue, Suite 216, Vancouver, British Columbia, Canada, V6J 1G1. This premise is owned by a private

corporation controlled by a former director and majority shareholder. The Company paid rent of \$6,663 and \$7,812 for the years ended December 31, 2008 and 2007, respectively. Effective September 1, 2008, the Company closed its administrative office in Vancouver, British Columbia, Canada, terminating all of its employees. There were no severance arrangements with any of the terminated employees.

On December 31, 2007, 40,000,000 common shares owned by Mr. Harmel S. Rayat, a director and major shareholder of the Company, originally subscribed for at \$0.0033 each were returned to the Company for cancellation and for no consideration. Mr. Harmel S. Rayat was an officer and director of the Company until September 12, 2008 and a majority stockholder of the Company until September 9, 2008.

All related party transactions are recorded at the exchange amount established and agreed to between related parties and are in the normal course of business.

Compensation of Directors

Our Board of Directors determines directors' compensation for serving on the Board and its committees. In establishing director compensation, the Board is guided by the following goals:

- Compensation should consist of a combination of cash and equity awards that are designed to fairly pay the directors for work required on behalf of a company of the size and scope of Entheos Technologies, Inc.;
- Compensation should align the directors' interests with the long-term interests of stockholders; and
- Compensation should assist with attracting and retaining qualified directors.

Employment Contracts and Change in Control Arrangements

On September 12, 2008, we agreed to pay Mr. Cooper a monthly fee of \$2,500 to serve as our President and Chief Executive Officer. Mr. Cooper is not an employee of the Company. There is no written agreement between us and Mr. Cooper regarding this arrangement. In addition, Mr. Cooper also agreed to serve as one of our directors and in consideration thereof and was granted 50,000 options vesting evenly over a five year period on the issuance anniversary date. On January 9, 2009, Derek J. Cooper was named the Chief Financial Officer after the resignation of the Frank Fabio. This arrangement was mutually acceptable by both parties due to the limited operations of the Company.

Recommendations

THE BOARD OF DIRECTORS OF THE COMPANY UNANIMOUSLY RECOMMENDS THAT THE COMPANY'S STOCKHOLDERS VOTE FOR EACH OF THE NOMINEES FOR DIRECTOR ("PROPOSAL 1") AND VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF PETERSON SULLIVAN, LLP AS THE COMPANY'S INDEPENDENT AUDITOR FOR THE FISCAL YEAR ENDING DECEMBER 31, 2009 ("PROPOSAL 2")

PROPOSAL NO. 1:

ELECTION OF BOARD MEMBERS

Nominees

The Company's Board of Directors is currently comprised of three directors. Each of the nominees is presently a director of the Company. If so directed in the enclosed proxy, the persons named in such proxy will vote the shares represented by such proxy for the election of the following named nominees for the office of director of the Company, to hold office until the next annual meeting of the stockholders or until their respective successors shall have been duly elected and shall have been duly qualified.

Information Concerning Nominees

Name	Age	Position	Director/Officer Since
Derek Cooper	32	President, CEO, Director	September 12, 2008
Christian Hudson	44	Director	September 12, 2008
Jeet Sidhu	37	Director	September 12, 2008

Each of Messrs. Cooper, Hudson and Sidhu were initially appointed to the Company's Board of Directors on September 12, 2008.

The Board of Directors does not contemplate that any of the above-named nominees for director will refuse or be unable to accept election as a director of the Company, or be unable to serve as a director of the Company. Should any of them become unavailable for nomination or election or refuse to be nominated or to accept election as a director of the Company, then the persons named in the enclosed form of proxy intend to vote the shares represented in such proxy for the election of such other person or persons as may be nominated or designated by the Board of Directors. No nominee is related by blood, marriage, or adoption to another nominee or to any executive officer of the Company or its subsidiaries or affiliates.

Assuming the presence of a quorum, each of the nominees for director of the Company requires for his election the approval of a plurality of the votes cast by the shares of Common Stock entitled to vote at the Annual Meeting.

The Board of Directors regard all of the individuals being nominated to the Board as extremely competent professionals with many years of experience in different fields of endeavor, including sales and marketing, management, technology development, and corporate finance and development. The Board feels that this collective base of experience and knowledge is crucial in the overall development of the Company's business.

Information Concerning Current Officers and Directors

The following narrative describes the positions held by the Company's current officers and directors. During 2008, each board member attended at least 75% of the board meetings that were held while they were in office.

DEREK COOPER P.Eng (AGE 32). President, Chief Executive Officer, Director. Mr. Cooper earned his Bachelor of Science degree in Physics in 2001 and his Bachelor of Applied Science in Geological Engineering in 2005, both at the University of British Columbia. From January 2003 through September 2003, Mr. Derek J. Cooper joined Syncrude Canada Ltd., the world's largest producer of crude oil from oil sands. While completing his Applied Sciences degree, from June 2004 thru September 2004, Mr. Cooper undertook and completed a near-term engineering-exploration contract with Stealth Minerals Ltd. From 2005 to March 2008, Mr. Cooper worked at Elk Valley Coal, the world's second largest producer of metallurgical coal, as a Planning Engineer. In April 2008, Mr. Cooper joined TransAlta Utilities, as an Intermediate Engineer in the Fuel Supply Group where he performs life-of-mine planning, costing, and capital equipment selection as well as scoping/feasibility projects. Mr. Cooper joined the Company as Director on September 12, 2008. Mr. Cooper also serves as a director of International Energy, Inc.

Mr. Cooper has served on the Board of Directors since September 12, 2008.

CHRISTIAN HUDSON (AGE 44). Director. Mr. Hudson earned a Bachelor of Arts degree in Economics from the University of California, Santa Barbara in 1987 and also earned a Masters in Business Administration from Columbia University in 1991. From 2002 to 2008, Mr. Hudson served as Chief Information Officer at Swiss American Securities Inc., member of the Credit Suisse Group. Mr. Hudson is currently pursuing entrepreneurial opportunities within Financial Services and Real Estate markets.

Mr. Hudson has served on the Board of Directors since September 12, 2008.

JEET SIDHU (AGE 37). Director. Mr. Sidhu graduated from the British Columbia Institute of Technology with a Diploma in Corporate Finance in 1995. Since 2002, Mr. Sidhu has been Vice-President of Montgomery Asset Management Corporation, a privately held firm providing financial and management consulting services to emerging growth corporations.

Mr. Sidhu has served on the Board of Directors since September 12, 2008.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), requires the Company's directors, officers and persons who own more than 10 percent of a registered class of the Company's equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission ("the Commission"). Directors, officers and greater than 10 percent beneficial owners are required by applicable regulations to furnish the Company with copies of all forms they file with the Commission pursuant to Section 16(a). Based solely upon a review of the copies of the forms furnished to the Company, the Company believes that during fiscal 2008, the Section 16(a) filing requirements applicable to its directors and executive officers were satisfied.

Director Compensation

Our Board of Directors determines the non-employee directors' compensation for serving on the Board and its committees. In establishing director compensation, the Board is guided by the following goals:

- Compensation should consist of a combination of cash and equity awards that are designed to fairly pay the directors for work required on behalf of a company of the size and scope of Entheos Technologies, Inc.
- Compensation should align the directors' interests with the long-term interests of stockholders; and
- Compensation should assist with attracting and retaining qualified directors.

We do not pay director compensation to directors who are also employees. Mr. Cooper is not an employee and thus gets compensated at the rate of \$2,500 per month. Other non-employee directors not serving as officers receive between \$2,000 per month for their services as directors; each director is entitled to be reimbursed for reasonable and necessary expenses incurred on our behalf.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE INDIVIDUALS NOMINATED FOR ELECTION AS A DIRECTOR.

PROPOSAL NO. 2:

THE RATIFICATION OF THE APPOINTMENT OF PETERSON SULLIVAN, LLP AS THE COMPANY'S INDEPENDENT AUDITOR

The Board of Directors has selected Peterson Sullivan, LLP as independent auditors for the Company for the fiscal year ending December 31, 2009, subject to ratification of the selection by stockholders. Peterson Sullivan, LLP has served as independent public accountants for the Company since March 13, 2006.

To the knowledge of the Company, at no time has Peterson Sullivan, LLP had any direct or indirect financial interest in or any connection with the Company or any of its subsidiaries other than in connection with services rendered to the Company as described below.

It is not expected that the representatives of Peterson Sullivan, LLP or any other auditors will attend the Annual Meeting. Peterson Sullivan, LLP has not indicated their desire to make a statement. They will respond to written questions submitted to the Company.

During and for the year ended December 31, 2008, Peterson Sullivan, LLP provided the following audit, audit-related and other professional services for the Company. The services were as follows:

- the audit of the annual financial statements included in the Company's Form 10-K;
- Consultation in connection with various tax and accounting matters; and
- Certain other professional services.

The cost of providing these services during, and for the year ended December 31, 2008, by specified categories, were as follows:

Audit Fees: A total of \$20,884 was paid with respect to the audit of the Company's annual financial statements.

Financial Information Systems Design and Implementation Fees: None

All Other Fees: None

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF PETERSON SULLIVAN, LLP AS THE COMPANY'S INDEPENDENT AUDITOR.

OTHER MATTERS

The board of Directors is not aware of any business to come before the Annual Meeting other than the matters described above in this proxy statement. If any other matters should properly come before the meeting, however, it is intended that proxies in the accompanying form will be voted with respect to those matters in accordance with the judgment of the person or persons voting the proxies. We will bear the cost of solicitation of proxies.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC, located on 100 F Street NE, Washington, D.C. 20549, Current Reports on Form 8-K, Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K, and other reports, statements and information as required under the Exchange Act.

The reports, statements and other information that we have filed with the SEC may be read and copied at the SEC's Public Reference Room at 100 F Street NE, Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

The SEC maintains a web site (<http://www.sec.gov>) that contains the registration statements, reports, proxy and proxy statements and other information regarding registrants that file electronically with the SEC such as us. You may access our SEC filings electronically at this SEC website. These SEC filings are also available to the public from commercial document retrieval services.

The Company hereby undertakes to provide without charge to each person, including any beneficial owner, to whom a copy of this Proxy Statement has been delivered, on the written request of any such person, a copy of the Company's most recent Form 10-K/A. Written requests for such copies should be directed to Derek Cooper, the President of the Company, at 888 3rd Street SW, Suite 1000, Calgary, AB T2P 5C5.

DEADLINE FOR RECEIPT OF SHAREHOLDER PROPOSALS FOR THE NEXT ANNUAL MEETING

Stockholders are hereby notified that if they wish a proposal to be included in our proxy statement and form of proxy relating to the 2010 annual meeting of stockholders, they must deliver a written copy of their proposal no later than August 16, 2009. If the date of next year's annual meeting is changed by more than 30 days from the date of this year's meeting, then the deadline is a reasonable time before we begin to print and mail proxy materials. Proposals must be timely received and comply with the proxy rules relating to stockholder proposals, in particular Rule 14a-8 under the Securities Exchange Act of 1934, in order to be included in our proxy materials.

Mailing Instructions

Proposals should be delivered to Derek Cooper, the President of the Company, at 888 3rd Street SW, Suite 1000, Calgary, AB T2P 5C5. To avoid controversy and establish timely receipt by the Company, it is suggested that stockholders send their proposals by certified mail, return receipt requested.

SHAREHOLDER COMMUNICATIONS

The Company has a process for shareholders who wish to communicate with the Board of Directors. Shareholders who wish to communicate with the Board may write to it at the Company's address given above. These communications will be reviewed by one or more employees of the Company designated by the Board, who will determine whether they should be presented to the Board. The purpose of this screening is to allow the Board to avoid having to consider irrelevant or inappropriate communications.

**ENTHEOS TECHNOLOGIES, INC.
888 3RD STREET SW, SUITE 1000
CALGARY, AB T2P 5C5**

PROXY FOR 2009 ANNUAL MEETING OF STOCKHOLDERS

This proxy is solicited on behalf of the Board of Directors of Entheos Technologies, Inc.

The undersigned, a stockholder of Entheos Technologies, Inc. (the Company) hereby constitutes and appoints each of Mr. Derek Cooper and Mr. Jeet Sidhu the attorney, agent and proxy of the undersigned, with full power of substitution, for and in the name, place and stead of the undersigned, to vote and act with respect to all of shares of the Common Stock of the Company standing in name of the undersigned or in respect of which the undersigned is entitled to vote, with all powers of the undersigned would process if personally present at such meeting upon the following matters, and otherwise in his discretion:

		FOR	AGAINST	ABSTENTION
ITEM 1.	To elect directors to serve until the next annual meeting of stockholders or until their successors are elected and have qualified.			
	Mr. Derek Cooper	[]	[]	[]
	Mr. Christian Hudson	[]	[]	[]
	Mr. Jeet Sidhu	[]	[]	[]
ITEM 2.	To ratify the appointment of Peterson Sullivan, LLP for the fiscal year ending December 31, 2009	[]	[]	[]
ITEM 3.	To transact any such other business as may properly come before the meeting or an adjournment (s) therefore.	[]	[]	[]

If no direction is indicated, this proxy will be voted in the discretion of the proxy holder. **Please date, sign and print your name on this proxy exactly as your name appears on your stock certificate and return immediately to the address printed above.**

DATED: _____

SIGNATURE: _____

NO. OF SHARES: _____

PRINT NAME: _____

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K/A

Amendment No. 1

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

For the fiscal year ended December 31, 2008

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

For the transition period from _____ to _____

Commission file number 000-30156

ENTHEOS TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or
organization)

98-0170247

(I.R.S. Employer Identification No.)

**888 3rd Street SW, Suite 1000, Calgary, Alberta,
Canada**

(Address of principal executive offices)

T2P 5C5

(Zip Code)

(403) 444-6418

(Registrant's telephone number, including area code)

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

Securities registered under Section 12(g) of the Exchange Act:

Title of Class	Name of Exchange on Which Registered
Common Stock, \$0.00001 par value	OTC Bulletin Board (OTCBB)

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

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

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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

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

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter, based upon the closing sale price of the registrant's common stock on June 30, 2008 as reported on the OTC Bulletin Board was \$28,878,812.

As of April 9, 2009, there were 63,075,122 shares of the registrant's Common Stock outstanding.

Documents incorporated by reference: None.

EXPLANATORY NOTE

This Form 10-K/A (the Amendment) is being filed by Entheos Technologies, Inc. (the Company) and amends the Company s Annual Report on Form 10-K for the year ended December 31, 2008. This Form 10-K/A replaces in its entirety the Form 10-K that was filed with the Securities and Exchange Commission (the SEC) on April 15, 2009 (the Original Filing). This Amendment corrects the following errors and omissions in the Company s original Form 10-K:

1. To reflect the conformed signature in the Report of Independent Registered Public Accounting Firm in Part II, Item 8.
2. To correct a typographical error in Part II, Item 5 to properly reflect the Company s stock high sale price during the fourth quarter of 2008 from \$1.15 to \$2.00.
3. To correct certain typographical errors in Part III, Item 11 as follows:
 - a. to properly describe the information provided regarding Stock Options Granted During the Last Fiscal Year from officers and directors to just officers;
 - b. to properly describe the information provided regarding Aggregated Option Exercised During Last Fiscal Year and Year End Option Values from officers and directors to just officers;
 - c. to correct the description of Derek Cooper s unexercised stock options from Market Value of all In-the-Money Options to Market Value of all Unexercised Stock Options ; and
 - d. to properly reflect the fair market value of Derek Cooper s unexercised stock options as of December 31, 2008 from \$50,000 to \$25,500.

Except as specifically noted here, this amendment does not modify or update any disclosures in the original Form 10-K. Accordingly, this amendment does not reflect events occurring after the filing of the original Form 10-K or modify or update any disclosures that may have been affected by subsequent events.

TABLE OF CONTENTS
ENTHEOS TECHNOLOGIES, INC.
ANNUAL REPORT ON FORM 10-K/A
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2008

	Page
PART I	
<u>Item 1. Business</u>	<u>5</u>
<u>Item 2. Properties</u>	<u>10</u>
<u>Item 3. Legal Proceedings</u>	<u>10</u>
<u>Item 4. Submission of Matters to a Vote of Security Holders</u>	<u>10</u>
PART II	
<u>Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities</u>	<u>12</u>
<u>Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>13</u>
<u>Item 8. Financial Statements and Supplementary Data</u>	<u>18</u>
<u>Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	<u>33</u>
<u>Item 9A (T) Controls and Procedures</u>	<u>33</u>
<u>Item 9B. Other Information</u>	<u>33</u>
PART III	
<u>Item 10. Directors, Executive Officers and Corporate Governance</u>	<u>34</u>
<u>Item 11. Executive Compensation</u>	<u>37</u>
<u>Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	<u>38</u>
<u>Item 13. Certain Relationships and Related Transactions, and Director Independence</u>	<u>39</u>
<u>Item 14. Principal Accountant Fees and Services</u>	<u>40</u>
PART IV	
<u>Item 15. Exhibits and Financial Statement Schedules</u>	<u>41</u>
<u>Signatures</u>	<u>42</u>

PART I

ITEM 1. BUSINESS.

Forward-Looking Statements

Except for the historical information presented in this document, the matters discussed in this Form 10-K/A for the fiscal year ending December 31, 2008, contain forward-looking statements. Such forward-looking statements include statements regarding, among other things, (a) our projected sales and profitability, (b) our growth strategies, (c) anticipated trends in our industry, (d) our future financing plans, and (e) our anticipated needs for working capital. Forward-looking statements, which involve assumptions and describe our future plans, strategies, and expectations, are generally identifiable by use of the words may, will, should, could, might, expect, anticipate, estimate, believe, project or the negative of these words or other variations on these words or comparable terminology. This information may involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from the future results, performance, or achievements expressed or implied by any forward-looking statements. These statements may be found under Management's Discussion and Analysis of Financial Condition and Results of Operations, Business, Properties, as well as in this report generally.

The safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended, apply to forward-looking statements made by the Company. The reader is cautioned that no statements contained in this Form 10-K/A should be construed as a guarantee or assurance of future performance or results. Actual events or results may differ materially from those discussed in forward-looking statements as a result of various factors, including, without limitation, the risks described in this report and matters described in this report generally. In light of these risks and uncertainties, there can be no assurance that the forward-looking statements contained in this filing will in fact occur. These forward-looking statements are based on current expectations, and the Company assumes no obligation to update this information. Readers are urged to carefully review and consider the various disclosures made by the Company in this Form 10-K/A and in the Company's other reports filed with the Securities and Exchange Commission that attempt to advise interested parties of the risks and factors that may affect the Company's business.

The Company

Incorporated under the laws of the State of Nevada, Entheos Technologies, Inc. (the Company we us and our) has an authorized capital of 200,000,000 shares of \$0.00001 par value common stock, of which 63,075,122 shares are outstanding and 10,000,000 shares of \$0.0001 par value preferred stock, of which none are outstanding.

From 2002 until September 2008, through its wholly-owned subsidiary Email Solutions, Inc., the Company served as an Application Service Provider (ASP) providing reliable, real time, high volume outsourced email and search engine optimization services. Due to the limited success of the ASP business, management decided that it was in the best interest to abandon the Application Service Provider business and focus on identifying undervalued oil and gas opportunities for acquisition, development and exploration. The assets and liabilities, the results of operations and cash flows related to the ASP business were not classified as discontinued operations as the amounts were not significant.

Our principal executive offices are located at 888-3rd Street SW, Suite 1000, Calgary Alberta, Canada T2P 5C5. Our telephone number is (403) 444-6418.

As we are a smaller reporting company, certain disclosures otherwise required to be made in a Form 10-K/A are not required to be made by the Company.

Description of Business

We are a small independent diversified energy company engaged in the acquisition and development of crude oil and natural gas interests in the United States. We pursue oil and gas prospects in partnership with oil and gas companies with exploration, development and production expertise. We currently have a non-operating, minority working interest in five properties. Our prospect areas consist of land in La Salle County, Lee County, Fayette County and Frio County, Texas. Currently, four of the five wells in which we have a minority working interest are producing. We currently do not operate any of the wells in which we have an interest.

Strategy

Subject to economic conditions affecting the oil and gas industry, our strategy is to identify and acquire (i) low risk in-field oil and gas rights that are primarily developmental in nature that offset existing production and (ii) energy services companies that when combined with our management expertise in that area will display strong top line growth and cash flows. Although to date we have acquired

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minority working interests we will, if the appropriate properties are available to us on terms acceptable to us, acquire controlling interests as well.

Acquisition of Oil & Gas Properties

In September 2008, the Company acquired a 21.75% working interest (16.3125% net revenue interest) in the Cooke #6 well located at the Cooke Ranch field in La Salle County, Texas which has been producing oil and gas from the Escondido formation since 2007. In September 2008, the Company acquired a 20.00% working interest (15.00% net revenue interest) in Onnie Ray #1 Well in Lee County, Texas and the Stahl #1 Well in Fayette County, Texas which were subsequently re-entered and are producing oil and gas from the Austin Chalk formation and a 20.00% working interest (15.00% net revenue interest) in the Haile #1 Well in Frio County, Texas which is currently scheduled for re-entry operations. On October 31, 2008 we acquired a 20.00% working interest (15.00% net revenue interest) in Pearce #1 Well in Frio County, Texas which is currently producing oil from the Austin Chalk formation.

Capitalized costs associated with the property acquisitions are as follows:

	Acquisition Costs	Exploration Costs	Development Costs	Total
Cooke #6	\$ 181,535	\$ -	\$ -	181,535
Onnie Ray #1	14,800	7,000	41,857	63,657
Haile #1	16,071	57,675	-	73,746
Stahl #1	15,215	7,000	35,141	57,356
Pearce #1	6,978	11,200	47,556	65,734
	\$ 234,599	\$ 82,875	\$ 124,554	442,028

Geologic Background

Escondido Formation

The Escondido formation, where Cooke #6 is located, is a regional producer spanning several counties in South Texas. There are many Escondido oil and gas fields which have produced anywhere from 600,000 to 3,100,000 barrels of oil and the gas fields have produced up to 18 BCF of gas.

Austin Chalk Formation

Giddings is a main producing field of the Austin Chalk formation consisting of fractured carbonate, which is where our Onnie Ray #1 and Stahl #1 wells are located. This formation covers central Texas, parts of Mexico and even into northwest Louisiana. The Austin Chalk in central Texas has been and continues to be explored and developed for its oil and gas potential by companies such as Anadarko Petroleum Corporation, Chesapeake Energy Corporation, and Exxon Mobil Corporation.

Haile #1 and Pearce #1 wells are located within the Pearsall Austin Chalk field which is south west of the Giddings field and is also a significant historic producer. The Pearsall field has been and continues to be explored and developed much like the Giddings fields to the North.

Production and Reserve Estimate Status

The acquisition date and production status of the Company's oil and gas properties is summarized as follows:

<i>Proven Developed Properties:</i>	Acquisition Date	Month Production Started
Cooke #6	9/1/2008	Dec-07
Onnie Ray #1	9/12/2008	Oct-08

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Stahl #1	9/12/2008	Oct-08
Pearce #1	10/31/2008	Dec-08
<i>Unproven Properties:</i>		
Haile #1	9/12/2008	-

The four reservoirs classified as proven developed properties is based on Securities and Exchange Commission (SEC) Regulation S-X

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Rule 4-10 reservoirs are considered proved if economic producibility is supported by either actual production or a conclusive formation test. These wells are supported by actual production. The Company has not yet obtained reserve studies providing proved reserve quantities due to the recentness of the acquisition of these properties and due to the wells still being in their initial testing phase. Management is assessing and compiling production data to determine the need for reserves studies going forward.

The unproven property, Haile, is also classified according to guidelines set forth by SEC Regulation S-X Rule 4-10. The well is not currently supported by actual production nor are there defined engineering reserve studies for this well. An exploratory drilling program was started in early 2009 to complete a new unproven upper zone of this well.

Research and Development Expenditures

Since inception, we have not incurred any expenditures in research or development.

Marketing of Production

Sale of Crude Oil and Natural Gas

Our production consists of natural gas and crude that is marketed by the well site Operators. We sell our crude oil and condensate production at or near the well-site, although in some cases it is gathered by us or others and delivered to a central point of sale. Our crude oil and condensate production is transported by truck or by pipeline and is typically committed to arrangements having a term of one year or less. We have not engaged in crude oil hedging or trading activities. We have not engaged in natural gas hedging or futures trading, nor do we have any long term contracts to sell our production.

Sales of crude oil totaled \$8,199 (114.9 bbl) for fiscal 2008 which represented 60% of our total oil and gas revenues for the year ended December 31, 2008. Sales of natural gas totaled \$5,571 for 2008 (746.6 mcf).

Price Considerations

Crude oil prices are established in a highly liquid, international market, with average crude oil prices that we receive generally fluctuating with changes in the futures price established on the NYMEX for West Texas Intermediate Crude Oil (NYMEX-WTI). The average crude oil price per Bbl received by us in fiscal 2008 was \$71.35.

Natural gas and natural gas liquids prices in the geographical areas in which we operate are closely tied to established price indices which are heavily influenced by national and regional supply and demand factors and the futures price per MMBtu for natural gas delivered at Henry Hub, Louisiana established on the NYMEX (NYMEX-Henry Hub). At times, these indices correlate closely with the NYMEX-Henry Hub price, but often there are significant variances between the NYMEX-Henry Hub price and the indices used to price our natural gas. Average natural gas prices received by us in each of our operating areas generally fluctuate with changes in these established indices. The average natural gas price per Mcf received by us in fiscal 2008 was \$7.46.

Governmental Regulations

Our operations are affected from time to time in varying degrees by political developments and U.S. federal, state, and local laws and regulations. In particular, natural gas and crude oil production and related operations are, or have been, subject to price controls, taxes and other laws and regulations relating to the industry. Failure to comply with such laws and regulations can result in substantial penalties. The regulatory burden on the industry increases our cost of doing business and affects our profitability. Although we believe we are in substantial compliance with all applicable laws and regulations, such laws and regulations are frequently amended or reinterpreted so we are unable to predict the future cost or impact of complying with such laws and regulations.

Environmental Matters

Our natural gas and crude oil exploration, development and production operations are subject to stringent U.S. federal, state and local laws governing the discharge of materials into the environment or otherwise relating to environmental protection. Numerous governmental agencies, such as the U.S. Environmental Protection Agency (EPA), issue regulations to implement and enforce such laws, and compliance is often difficult and costly. Failure to comply may result in substantial costs and expenses, including possible civil and criminal penalties. These laws and regulations may:

- require the acquisition of a permit before drilling commences;
- restrict the types, quantities and concentrations of various substances that can be released into the environment in connection with drilling,

production and processing activities;

- limit or prohibit drilling activities on certain lands lying within wilderness, wetlands, frontier and other protected areas;
- require remedial action to prevent pollution from former operations such as plugging abandoned wells; and
- impose substantial liabilities for pollution resulting from operations.

In addition, these laws, rules and regulations may restrict the rate of natural gas and crude oil production below the rate that would otherwise exist. The regulatory burden on the industry increases the cost of doing business and consequently affects our profitability. Changes in environmental laws and regulations occur frequently, and any changes that result in more stringent and costly waste handling, disposal or clean-up requirements could adversely affect our financial position, results of operations and cash flows. While we believe that we are in substantial compliance with current applicable environmental laws and regulations, and we have not experienced any materially adverse effect from compliance with these environmental requirements, we cannot assure you that this will continue in the future.

The U.S. Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), also known as the Superfund law, imposes liability, without regard to fault or the legality of the original conduct, on certain classes of persons who are considered to be responsible for the release of a hazardous substance into the environment. These persons include the present or past owners or operators of the disposal site or sites where the release occurred and the companies that transported or arranged for the disposal of the hazardous substances at the site where the release occurred. Under CERCLA, such persons may be subject to joint and several liability for the costs of cleaning up the hazardous substances that have been released into the environment, for damages to natural resources and for the costs of certain health studies. It is not uncommon for neighboring landowners and other third parties to file claims for personal injury and property damages allegedly caused by the release of hazardous substances or other pollutants into the environment. Furthermore, although petroleum, including natural gas and crude oil, is exempt from CERCLA, at least two courts have ruled that certain wastes associated with the production of crude oil may be classified as hazardous substances under CERCLA and thus such wastes may become subject to liability and regulation under CERCLA. State initiatives to further regulate the disposal of crude oil and natural gas wastes are also pending in certain states, and these various initiatives could have adverse impacts on us.

Stricter standards in environmental legislation may be imposed on the industry in the future. For instance, legislation has been proposed in the U.S. Congress from time to time that would reclassify certain exploration and production wastes as hazardous wastes and make the reclassified wastes subject to more stringent handling, disposal and clean-up restrictions. Compliance with environmental requirements generally could have a materially adverse effect upon our financial position, results of operations and cash flows. Although we have not experienced any materially adverse effect from compliance with environmental requirements, we cannot assure you that this will continue in the future.

The U.S. Federal Water Pollution Control Act (FWPCA) imposes restrictions and strict controls regarding the discharge of produced waters and other petroleum wastes into navigable waters. Permits must be obtained to discharge pollutants into state and federal waters. The FWPCA and analogous state laws provide for civil, criminal and administrative penalties for any unauthorized discharges of crude oil and other hazardous substances in reportable quantities and may impose substantial potential liability for the costs of removal, remediation and damages. Federal effluent limitations guidelines prohibit the discharge of produced water and sand, and some other substances related to the natural gas and crude oil industry, into coastal waters. Although the costs to comply with zero discharge mandated under federal or state law may be significant, the entire industry will experience similar costs and we believe that these costs will not have a materially adverse impact on our financial condition and results of operations. Some oil and gas exploration and production facilities are required to obtain permits for their storm water discharges. Costs may be incurred in connection with treatment of wastewater or developing storm water pollution prevention plans.

The U.S. Resource Conservation and Recovery Act (RCRA), generally does not regulate most wastes generated by the exploration and production of natural gas and crude oil. RCRA specifically excludes from the definition of hazardous waste drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil, natural gas or geothermal energy. However, these wastes may be regulated by the EPA or state agencies as solid waste. Moreover, ordinary industrial wastes, such as paint wastes, waste solvents, laboratory wastes and waste compressor oils, are regulated as hazardous wastes. Although the costs of managing solid hazardous waste may be significant, we do not expect to experience more burdensome costs than would be borne by similarly situated companies in the industry.

In addition, the U.S. Oil Pollution Act (OPA) requires owners and operators of facilities that could be the source of an oil spill into waters of the United States, a term defined to include rivers, creeks, wetlands and coastal waters, to adopt and implement plans and procedures to prevent any spill of oil into any waters of the United States. OPA also requires affected facility owners and operators to demonstrate that they have at least \$35 million in financial resources to pay for the costs of cleaning up an oil spill and compensating any parties damaged by an oil spill. Substantial civil and criminal fines and penalties can be imposed for violations of OPA and other environmental statutes.

Competition

The oil and gas industry is highly competitive. We compete with major oil companies, large and small independents, and individuals for the acquisition of leases and properties. Most competitors have financial and other resources which substantially exceed ours. Resources of our competitors may allow them to pay more for desirable leases and to evaluate, bid for and purchase a greater number of properties or prospects than us. Our ability to replace and expand our reserves is dependent on our ability to select and acquire producing properties and prospects for future drilling.

Operations

Oil and gas properties are customarily operated under the terms of a joint operating agreement, which provides for reimbursement of the operator's direct expenses and monthly per well supervision fees. Per well supervision fees vary widely depending on the geographic location and producing formation of the well, whether the well produces oil or gas and other factors. We are not the operator of our wells, which are operated by Bayshore Exploration Inc, and Leexus Oil LLC. The operators charge the Company, without mark-up, for the Company's working interest portion of the direct operating costs and overhead costs (which are comprised of administrative, supervision, office services and warehousing costs) that the operators incur with respect to our wells.

Employees

We currently have no full-time employees. All of our activities are conducted through contracting geologists, engineers, operators and other oil and gas professionals.

GLOSSARY OF CERTAIN OIL AND GAS TERMS

The following is a description of the meanings of some of the natural gas and oil industry terms used in this filing:

Bbl means a barrel or barrels of oil.

Btu means British thermal unit, which means the quantity of heat required to raise the temperature of one pound of water by one degree Fahrenheit.

Completion means the installation of permanent equipment for the production of natural gas or oil.

Condensate means hydrocarbons naturally occurring in the gaseous phase in a reservoir that condense to become a liquid at the surface due to the change in pressure and temperature.

Crude means unrefined liquid petroleum.

Gross acres or **gross wells** refer to the total acres or wells, as the case may be, in which a working interest is owned.

Mcf means thousand cubic feet of natural gas.

MMBtu means one million Btus.

Operator refers to the individual or company responsible for the exploration, development and production of an oil or gas well or lease.

Proved developed oil and gas reserves refers to reserves that can be expected to be recovered through existing wells with existing equipment and operating methods. Additional oil and gas expected to be obtained through the application of fluid injection or other improved recovery techniques for supplementing the natural forces and

mechanisms of primary recovery should be included as proved developed reserves only after testing by a pilot project or after the operation of an installed program has confirmed through production responses that increased recovery will be achieved.

Proved oil and gas reserves means the estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Reservoirs are considered proved if economic producibility is supported by either actual production or conclusive formation test. The area of a reservoir considered proved includes (a) that portion delineated by drilling and defined by gas-oil and/or oil-water contacts, if any, and (b) the immediately adjoining portions not yet drilled, but which can be reasonably judged as economically productive on the basis of available geological and engineering data. In the absence of information on fluid contacts, the lowest known structural occurrence of hydrocarbons controls the lower proved limit of the reservoir. Reserves which can be produced economically through application of improved recovery techniques (such as fluid injection) are included in the proved classification when successful testing by a pilot project, or the operation of an installed

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program in the reservoir, provides support for the engineering analysis on which the project or program was based. Estimates of proved reserves do not include the following: (a) oil that may become available from known reservoirs but is classified separately as indicated additional reserves; (b) crude oil, natural gas and natural gas liquids, the recovery of which is subject to reasonable doubt because of uncertainty as to geology, reservoir characteristics or economic factors; (c) crude oil, natural gas and natural gas liquids that may occur in undrilled prospects; and (d) crude oil, natural gas and natural gas liquids that may be recovered from oil shales, coal, gilsonite and other such sources.

Proven properties refers to properties containing proved reserves.

Proved undeveloped reserves refers to reserves that are expected to be recovered from new wells on undrilled acreage or from existing wells where a relatively major expenditure is required for recompletion. Reserves on undrilled acreage are limited to those drilling units offsetting productive units that are reasonably certain of production when drilled. Proved reserves for other undrilled units can be claimed only where it can be demonstrated with certainty that there is continuity of production from the existing productive formation. Proved undeveloped reserves may not include estimates attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual tests in the area and in the same reservoir.

Recompletion means the completion for production of an existing well bore in another formation from that in which the well has been previously completed.

Unproven properties refers to properties containing no proved reserves.

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

Workover means operations on a producing well to restore or increase production.

ITEM 2. PROPERTIES.

We do not own any properties other than oil and gas properties acquired during 2008. On September 10, 2008 we entered into a one year operating lease agreement with a non-affiliate for our corporate office, located at 888 3rd Street SW, Suite 1000, Calgary, AB Canada T2P 5C5. The monthly rent is \$315 CDN.

ITEM 3. LEGAL PROCEEDINGS.

We are currently not a party to any material pending legal proceedings or government actions, including any bankruptcy, receivership, or similar proceedings. In addition, management is not aware of any known litigation or liabilities involving the operators of our properties that could affect our operations. Should any liabilities incur in the future, they will be accrued based on management's best estimate of the potential loss. As such, there is no adverse effect on our financial position, results of operations or cash flow at this time. Furthermore, we do not believe that there are any proceedings to which any of our directors, officers, or affiliates, any owner of record of the beneficially or more than five percent of our common stock, or any associate of any such director, officer, affiliate, or security holder is a party adverse or has a material interest adverse to us.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

The Annual Meeting of Stockholders (the Annual Meeting) of the Company was held on December 19, 2008, at which time the stockholders voted on the following proposals:

1. The election of a board of directors to serve until the next Annual Meeting or until their respective successors is duly elected and has been qualified.

	Votes For	Votes Against	Votes Abstaining
Derek J. Cooper	32,678,620	0	0
Jeet Sidhu	32,678,620	0	0
Christian Hudson	32,678,620	0	0

2. Ratifying the appointment of Peterson Sullivan LLP as our auditors for the fiscal year ending December 31, 2008.

<u>Votes For</u>	<u>Votes Against</u>	<u>Votes Abstained</u>
32,678,620	0	0

3. **RESOLVED**, that the Company to amend the Articles of Incorporation to change the Company's name to Sterling Energy, Inc.

<u>Votes For</u>	<u>Votes Against</u>	<u>Votes Abstained</u>
32,678,620	0	0

Note that the name of the Company has not been legally changed as of the date of this filing.

PART II**ITEM 5. . MARKET FOR REGISTRANT S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.****Market Information**

The Company's Common Stock is listed on the OTC Bulletin Board under the symbol "ETHT". The following table sets forth the high and low sale prices for the periods indicated:

Fiscal Year 2008		High (\$)		Low (\$)
Fourth Quarter	\$	2.00	\$	0.38
Third Quarter	\$	0.75	\$	0.38
Second Quarter	\$	0.55	\$	0.41
First Quarter	\$	0.82	\$	0.41
Fiscal Year 2007				
Fourth Quarter	\$	0.85	\$	0.81
Third Quarter	\$	0.97	\$	0.62
Second Quarter	\$	0.69	\$	0.61
First Quarter	\$	1.40	\$	0.60
January 1, 2009	April 8, 2009	0.51		0.41

On April 8, 2009 the closing price of our common stock as reported on the OTCBB was \$0.50 per share. As of April 8, 2009, there were approximately 329 stockholders of record of the Company's Common Stock.

Dividend Policy

We have not paid any dividends on our common stock and our board of directors presently intends to continue a policy of retaining earnings, if any, for use in our operations. The declaration and payment of dividends in the future, of which there can be no assurance, will be determined by the board of directors in light of conditions then existing, including earnings, financial condition, capital requirements and other factors. The Nevada Revised Statutes prohibit us from declaring dividends where, if after giving effect to the distribution of the dividend:

- We would not be able to pay our debts as they become due in the usual course of business; or
- Our total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of stockholders who have preferential rights superior to those receiving the distribution.

Except as set forth above, there are no restrictions that currently materially limit our ability to pay dividends or which we reasonably believe are likely to limit materially the future payment of dividends on common stock.

Securities Authorized for Issuance Under Equity Compensation Plans

	Weighted-average	Number of securities
Number of Securities to	exercise	remaining available for
be issued upon exercise of	price of outstanding	future issuance under
outstanding options,	options, warrants and	equity compensation
warrants and rights	rights	plans
		(excluding securities
		reflected in column (a))

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Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders	200,000(1)	\$1.00	119,800,000
Equity compensation plans not approved by security holders			
Total	200,000 (1)	\$1.00	119,800,000

(1) 50,000 were granted to our former CFO and were cancelled following his resignation on January 9, 2009.

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

Discussion and Analysis

*The following discussion and analysis is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States, and should be read in conjunction with our financial statements and related notes. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. In addition, the following discussion and analysis contains forward-looking statements that involve risks and uncertainties, including, but not limited to, those discussed in **Forward Looking Statements**, and elsewhere in this Form 10-K/A.*

Overview

Entheos Technologies, Inc. (the Company) is a small independent diversified energy company engaged in the acquisition and development of crude oil and natural gas interests in the United States. The Company pursues oil and gas prospects in partnership with oil and gas companies with exploration, development and production expertise. The Company participates with a non-operating, minority working interest. The Company s prospect areas consist of land in La Salle County, Lee County, Fayette County and Frio County, Texas.

Incorporated under the laws of the State of Nevada, the Company has an authorized capital of 200,000,000 shares of \$0.00001 par value common stock, of which 63,075,122 shares are outstanding and 10,000,000 shares of \$0.0001 par value preferred stock, of which none are outstanding.

From 2002 until September 2008, through our wholly-owned subsidiary Email Solutions, Inc., the Company served as an Application Service Provider (ASP) providing reliable, real time, high volume outsourced email and search engine optimization services. Due to the limited success of the ASP business, management decided that it was in the best interest to abandon the Application Service Provider business and focus on identifying undervalued oil and gas opportunities for acquisition, development and exploration. The assets and liabilities, the results of operations and cash flows related to the ASP business were not classified as discontinued operations as the amounts were not significant.

Our Oil and Gas Interests

The following table sets forth a summary of our current oil and gas interests:

Well	Location	Interest
Cooke #6	LaSalle County Texas	21.75% working interest (16.135% net revenue interest)
Stahl #1	Fayette County, Texas	20.00% working interest (15% net revenue interest)
Onnie Ray #1	Lee County, Texas	20.00% working interest (15% net revenue interest)
Haile #1	Frio County, Texas	20.00% working interest (15% net revenue interest)
Pearce #1	Frio County, Texas	20.00% working interest (15% net revenue interest)

Net capitalized costs associated with oil and gas properties as of December 31, 2008 can be summarized as follows:

	Acquisition Costs	Exploration Costs	Development Costs	Total
Cooke #6	\$ 181,535	\$ -	\$ -	\$ 181,535
Onnie Ray #1	14,800	7,000		63,657
			41,857	
Haile #1	16,071	57,675	-	73,746
Stahl #1	15,215	7,000		57,356
			35,141	
Pearce #1	6,978	11,200		65,734
			47,556	
	\$ 234,599	\$ 82,875	\$ 124,554	\$ 442,028
Impairment of oil properties				(93,444)
Oil and gas properties, net				\$ 348,584

We plan to grow our business by acquiring (i) low risk in-field oil and gas rights that are primarily developmental in nature that offset existing production and (ii) energy services companies that when combined with our management expertise in that area will display strong top line growth and cash flows. To date we have acquired only minority working interests. We do not operate the wells in which we have an interest.

Since inception, we have funded our operations primarily from private placements of our common stock and debt issuances. The Company has recently incurred net operating losses and operating cash flow deficits. It may continue to incur losses from operations and operating cash flow deficits in the future. However, the Company believes its cash and cash equivalent balances, anticipated cash flows from operations and other external sources of credit will be sufficient to meet its cash requirements through March 2010. The future of the Company after March 2010 will depend in large part on its ability to successfully generate cash flows from operations and raise capital from external sources to fund operations.

As of December 31, 2008, we generated revenues of \$13,770 from operations of our new core business. From inception to December 31, 2008 we have accumulated losses of approximately \$4,083,000. The Company completed a private placement for gross proceeds of \$3,225,000 on July 28, 2008. Management believes that its current and future plans will enable it to continue operations through March 31, 2010.

Critical Accounting Policies

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Management's judgments and estimates in these areas are based on information available from both internal and external sources, including engineers, geologists, consultants and historical experience in similar matters. The more significant reporting areas impacted by management's judgments and estimates are accruals related to oil and gas sales and expenses; estimates of future oil and gas reserves; estimates used in the impairment of oil and gas properties; and the estimated future timing and cost of asset retirement obligations.

Actual results could differ from the estimates as additional information becomes known. The carrying values of oil and gas properties are particularly susceptible to change in the near term. Changes in the future estimated oil and gas reserves or the estimated future cash flows attributable to the reserves that are utilized for impairment analysis could have a significant impact on the future results of operations.

Full Cost Method of Accounting for Oil and Gas Properties

The Company has elected to utilize the full cost method of accounting for its oil and gas activities. In accordance with the full cost method of accounting, all costs associated with acquisition, exploration, and development of oil and gas reserves, including directly related overhead costs and related asset retirement costs, are capitalized.

All capitalized costs of oil and gas properties, including the estimated future costs to develop proved reserves, are amortized on the unit-of-production method using estimates of proved reserves once proved reserves are determined to exist. The Company has not yet obtained

reserve reports because of its recent acquisition of its oil and gas properties and because these properties recently began producing. Management is assessing geographic and production data to determine the need for reserves studies. At December 31,

2008, there were no capitalized costs subject to amortization.

Oil and gas properties without estimated proved reserves are not amortized until proved reserves associated with the properties can be determined or until impairment occurs. The cost of these properties is assessed quarterly, on a property-by-property basis, to determine whether the properties are recorded at the lower of cost or fair market value. In determining whether such costs should be impaired, the Company evaluates historical experience, current drilling results, lease expiration dates, current oil and gas industry conditions, international economic conditions, capital availability, and available geological and geophysical information. As a result of this analysis, the Company recorded an impairment of \$93,444. This impairment is similar to amortization and therefore is not added to the cost of properties being amortized.

Sales of oil and gas properties are accounted for as adjustments of capitalized costs with no gain or loss recognized, unless such adjustments would significantly alter the relationship between capitalized costs and proved reserves of oil and gas, in which case the gain or loss is recognized in income. The Company did not sell any properties during 2008 or 2007.

Full Cost Ceiling Test

At the end of each quarterly reporting period, the unamortized costs of oil and gas properties are subject to a ceiling test which basically limits capitalized costs to the sum of the estimated future net revenues from proved reserves, discounted at 10% per annum to present value, based on current economic and operating conditions, adjusted for related income tax effects.

Oil and Gas Revenues

The Company recognizes oil and gas revenues when oil and gas production is sold to a purchaser at a fixed or determinable price, when delivery has occurred and title has transferred, and if collectability of the revenue is probable. Delivery occurs and title is transferred when production has been delivered to a purchaser's pipeline or truck. As a result of the numerous requirements necessary to gather information from purchasers or various measurement locations, calculate volumes produced, perform field and wellhead allocations and distribute and disburse funds to various working interest partners and royalty owners, the collection of revenues from oil and gas production may take up to 45 days following the month of production. Therefore, the Company may make accruals for revenues and accounts receivable based on estimates of its share of production. Since the settlement process may take 30 to 60 days following the month of actual production, its financial results may include estimates of production and revenues for the related time period. The Company will record any differences between the actual amounts ultimately received and the original estimates in the period they become finalized. As of December 31, 2008, all revenue and expense information had been received from the operators so there was no estimated revenue or expense.

Asset Retirement Obligation

The Company has adopted the provisions of SFAS 143, *Accounting for Asset Retirement Obligations*. SFAS 143 amended SFAS 19,

Financial Accounting and Reporting by Oil and Gas Producing Companies, and, among other matters, addresses financial accounting and reporting for legal obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. SFAS No. 143 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred, with the associated asset retirement cost capitalized as part of the related asset and allocated to expense over the asset's useful life.

In March 2005, the FASB issued FASB Interpretation No. 47 (FIN No. 47 *Accounting for Conditional Asset Retirement Obligations*). FIN No. 47 clarifies that a conditional asset retirement obligation, as used in SFAS 143, refers to a legal obligation to perform an asset retirement activity in which the timing or method of the settlement are conditional on a future event that may or may not be within the control of the entity. Accordingly, an entity is required to recognize a liability for the fair value of a conditional asset retirement obligation if the fair value can be reasonably estimated.

The Company does not have material asset retirement obligations as of December 31, 2008 or 2007.

Variables and Trends

We have very limited history with respect to our acquisition and development of oil and gas properties. In the event we are able to obtain the necessary financing to move forward with our business plan, we expect our expenses to increase significantly as we grow our business. Accordingly, the comparison of the financial data for the periods presented may not be a meaningful indicator of our future performance and must be considered in light of these circumstances.

Results of Operations

The following table summarizes oil and gas sales activity for the Company's share of well operations:

	For Years Ended December 31,		
	2008	2007	
Production Data:			
Oil (bbl)	114.9		-
Natural gas (mcf)	746.6		-
Average Sales Price:			
Oil (per bbl)	\$ 71.35		-
Natural gas (per mcf)	\$ 7.46		-

Revenues

Oil and gas sales were \$13,770 in fiscal 2008 compared to \$0 in fiscal 2007 due to the acquisition of minority working interest in oil and gas properties in September and October 2008.

Costs and Expenses

Oil and gas production expense were \$9,080 in fiscal year 2008 compared to \$0 in fiscal year 2007 as the company entered into the oil & gas industry in September 2008.

General and administrative expenses (G&A) were \$190,693 in fiscal year 2008 and \$27,610 in fiscal year 2007 for an increase of \$163,083. The change is primarily comprised of a \$57,325 increase in legal and filing fees primarily due to the private placement in July 2008; an increase of \$19,360 in stock option compensation expense as the Company issued its first stock option in several years, \$14,520 of this total related to options granted to directors; an increase of \$33,000 in fees paid to directors from \$1,500 in fiscal year 2007 to \$35,500 in fiscal year 2008 due to a change in director fee policy; an increase of \$16,143 in contract accounting expense due to closing the Canadian office and an increase of \$16,381 in audit fees.

Impairment of oil and gas properties was \$93,444 in fiscal year 2008 and \$0 in fiscal year 2007. The impairment is a result of management's review of capitalized costs compared to estimated fair market value.

Liquidity and Capital Resources

As of December 31, 2008, the Company had a cash balance of \$2,734,591. The Company has financed its operations primarily from cash on hand and proceeds from the July 28, 2008 private placement.

Net cash flows used in operating activities was (\$69,687) for the year ended December 31, 2008, compared to net cash provided of \$46,128 for 2007 due to more activity in the business as they changed from an application service provider to an oil and gas company.

On July 28, 2008, the Company completed a \$3,200,000 self-directed private placement. The Private Placement consisted of the sale of 6,450,000 units at a price of \$0.50 per Unit or \$3,225,000 in the aggregate. The Units were offered and sold to a total of 6 investors, all of whom were accredited investors. Each unit consisted of one share of the Company's common stock, one Series A Warrant to purchase a share of common stock at \$0.60 per share for a period of 18 months from the date of issuance and one Series B Warrant to purchase a share of common stock at \$0.75 per share for a period of 24 months from the date of issuance. In addition, 50,000 units were issued in payment of legal fees in the amount of \$25,000.

Due to the "start up" nature of the Company's businesses, the Company expects to incur losses as it expands. The Company expects to raise additional funds through private or public equity investment in order to expand the range and scope of its business operations. The Company will seek access to private or public equity but there is no assurance that such additional funds will be available for the Company to finance its operations on acceptable terms, if at all.

Related Party Transactions

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Executive Management: For the year ended December 31, 2008, the Company incurred \$10,000 in fees paid to the Derek Cooper the President, Chief Executive Officer and Chief Financial Officer of the Company. In addition, during September 2008, the Company granted stock options to purchase 50,000 shares of common stock to Mr. Cooper. For the year ended December 31, 2008, the Company

recorded \$4,840 as stock compensation expense related to this stock grant.

Director Fees: For the year ended December 31, 2008, the Company incurred \$25,000 in board fees for non-employee directors of the Company. During 2008, the Company granted a total of 150,000 options to purchase common stock to non-employee board members. For the year ended December 31, 2008, the Company recorded \$14,520 as stock compensation expense relating to these stock option grants. During the year ended December 31, 2007, the Company paid management fees of \$1,500 to the directors. There is no management or consulting agreements in effect.

Accounts payable - related party: As of September 1, 2008, the Company settled all amounts owed to a former director and majority shareholder, amounting to \$24,811, outstanding for management fees (the balance was forgiven for no consideration). The amount outstanding was recorded as an increase to additional paid-in capital. As of December 31, 2008 and 2007 accounts payable to related parties were \$12,077 and \$23,812 respectively.

Rent: Until August 31, 2008, the Company's administrative office was located at 1628 West 4th Avenue, Suite 216, Vancouver, British Columbia, Canada, V6J 1G1. This premise is owned by a private corporation controlled by a former director and majority shareholder. The Company paid rent of \$6,663 and \$7,812 for the years ended December 31, 2008 and 2007, respectively. Effective September 1, 2008, the Company closed its administrative office in Vancouver, British Columbia, Canada, terminating all of its employees. There were no severance arrangements with any of the terminated employees.

On December 31, 2007, 40,000,000 common shares owned by Mr. Harmel S. Rayat, a director and major shareholder of the Company, originally subscribed for at \$0.0033 each were returned to the Company for cancellation and for no consideration. Mr. Harmel S. Rayat was an officer and director of the Company until September 12, 2008 and a majority stockholder of the Company until September 9, 2008.

All related party transactions are recorded at the exchange amount established and agreed to between related parties and are in the normal course of business.

Off Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Recent Accounting Pronouncements

See Note 2 for the Consolidated Financial Statements in this Form 10-K/A.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets as of December 31, 2008 and 2007

Consolidated Statements of Operations for the years ended December 31, 2008 and 2007

Consolidated Statements of Stockholders' Equity for the years ended December 31, 2008 and 2007

Consolidated Statements of Cash Flows for the years ended December 31, 2008 and 2007

Notes to Consolidated Financial Statements

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Entheos Technologies, Inc.
Calgary, Alberta

We have audited the accompanying consolidated balance sheets of Entheos Technologies, Inc. ("the Company") as of December 31, 2008 and 2007, and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. 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 has determined that it is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 financial position of Entheos Technologies, Inc. as of December 31, 2008 and 2007, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

/S/ PETERSON SULLIVAN LLP

April 10, 2009
Seattle, Washington

ENTHEOS TECHNOLOGIES, INC.
CONSOLIDATED BALANCE SHEETS
December 31, 2008 and December 31, 2007

(Expressed in U. S. Dollars)	2008	2007
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,734,591	\$ 46,306
Accounts receivable	4,252	-
Prepaid expenses	720	-
Total current assets	2,739,563	46,306
Oil and gas properties, using full cost method		
Proven properties	368,282	-
Unproven properties	73,746	-
Accumulated depreciation, depletion and amortization and impairment	(93,444)	-
Oil and gas properties, net	348,584	-
Total assets	\$ 3,088,147	\$ 46,306
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 50,854	\$ 1,300
Accounts payable - related parties (Note 5)	12,077	23,812
Total liabilities	62,931	25,112
STOCKHOLDERS' EQUITY		
Stockholders' equity		
Preferred stock:\$0.0001 par value: Authorized: 10,000,000 shares		
Issued and outstanding: nil	-	-
Common stock: \$0.00001 par value; Authorized: 200,000,000 shares		
Issued and outstanding: 63,075,122 shares (2007: 56,625,122)	631	566
Additional paid-in capital	7,107,622	3,838,516
Accumulated deficit	(4,083,037)	(3,817,888)
Total stockholders' equity	3,025,216	21,194
Total liabilities and stockholders' equity	\$ 3,088,147	\$ 46,306

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

ENTHEOS TECHNOLOGIES, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
for the years ended December 31, 2008 and 2007
(Expressed in U. S. Dollars)

2008

2007