United States Bankruptcy Court
District of New Mexico

Voluntary Petition

Name of Debtor (if individual, enter Last, First, Middle): **Thunder Mountain Water Company, Inc.**	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):	All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN(if more than one, state all): **85-0318114**	Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN)/Complete EIN(if more than one, state all):
Street Address of Debtor (No. & Street, City, and State): **51 Dinkle Road, Edgewood, NM** ZIP CODE **87015**	Street Address of Joint Debtor (No. & Street, City, and State): ZIP CODE
County of Residence or of the Principal Place of Business: **Santa Fe**	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address): **P.O. Box 760, Edgewood, NM** ZIP CODE **87015**	Mailing Address of Joint Debtor (if different from street address): ZIP CODE

Location of Principal Assets of Business Debtor (if different from street address above):
51 Dinkle Road
Edgewood, NM
ZIP CODE **87015**

Type of Debtor
(Form of Organization)
(Check **one** box.)

- ☐ Individual (includes Joint Debtors) *See Exhibit D on page 2 of this form.*
- ☑ Corporation (includes LLC and LLP)
- ☐ Partnership
- ☐ Other (If debtor is not one of the above entities, check this box and state type of entity below.)

Nature of Business
(Check **one** box)

- ☐ Health Care Business
- ☐ Single Asset Real Estate as defined in 11 U.S.C. § 101(51B)
- ☐ Railroad
- ☐ Stockbroker
- ☐ Commodity Broker
- ☐ Clearing Bank
- ☑ Other

Chapter of Bankruptcy Code Under Which the Petition is Filed (Check **one** box)

- ☐ Chapter 7
- ☐ Chapter 9
- ☑ Chapter 11
- ☐ Chapter 12
- ☐ Chapter 13
- ☐ Chapter 15 Petition for Recognition of a Foreign Main Proceeding
- ☐ Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding

Chapter 15 Debtors

Country of debtor's center of main interests:

Each country in which a foreign proceeding by, regarding, or against debtor is pending:

Tax-Exempt Entity
(Check box, if applicable)

- ☐ Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code.)

Nature of Debts
(Check one box)

- ☐ Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or house-hold purpose."
- ☑ Debts are primarily business debts.

Filing Fee (Check one box)

- ☑ Full Filing Fee attached
- ☐ Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b) See Official Form 3A.
- ☐ Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.

Chapter 11 Debtors

Check one box:

- ☑ Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).
- ☐ Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).

Check if:

- ☐ Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than $2,343,300 (*amount subject to adjustment on 4/01/13 and every three years thereafter*).

Check all applicable boxes

- ☐ A plan is being filed with this petition
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).

Statistical/Administrative Information

- ☐ Debtor estimates that funds will be available for distribution to unsecured creditors.
- ☑ Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

THIS SPACE IS FOR COURT USE ONLY

Estimated Number of Creditors

☑	☐	☐	☐	☐	☐	☐	☐	☐	☐
1-49	50-99	100-199	200-999	1,000-5,000	5,001-10,000	10,001-25,000	25,001-50,000	50,001-100,000	Over 100,000

Estimated Assets

☐	☐	☑	☐	☐	☐	☐	☐	☐	☐
$0 to $50,000	$50,001 to $100,000	$100,001 to $500,000	$500,001 to $1 million	$1,000,001 to $10 million	$10,000,001 to $50 million	$50,000,001 to $100 million	$100,000,001 to $500 million	$500,000,001 to $1 billion	More than $1 billion

Estimated Liabilities

☐	☐	☐	☑	☐	☐	☐	☐	☐	☐
$0 to $50,000	$50,001 to $100,000	$100,001 to $500,000	$500,001 to $1 million	$1,000,001 to $10 million	$10,000,001 to $50 million	$50,000,001 to $100 million	$100,000,001 to $500 million	$500,000,001 to $1 billion	More than $1 billion

Voluntary Petition *(This page must be completed and filed in every case)*	Name of Debtor(s): **Thunder Mountain Water Company, Inc.**	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)		
Location Where Filed: **NONE**	Case Number:	Date Filed:
Location Where Filed:	Case Number:	Date Filed:
Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor (If more than one, attach additional sheet)		
Name of Debtor: **NONE**	Case Number:	Date Filed:
District:	Relationship:	Judge:

Exhibit A

(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)

☐ Exhibit A is attached and made a part of this petition.

Exhibit B

(To be completed if debtor is an individual whose debts are primarily consumer debts)

I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b).

X **Not Applicable**

Signature of Attorney for Debtor(s) Date

Exhibit C

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

☐ Yes, and Exhibit C is attached and made a part of this petition.

☑ No

Exhibit D

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

☐ Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

☐ Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.

Information Regarding the Debtor - Venue

(Check any applicable box)

☑ Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

☐ There is a bankruptcy case concerning debtor's affiliate. general partner, or partnership pending in this District.

☐ Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District. or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

Certification by a Debtor Who Resides as a Tenant of Residential Property

(Check all applicable boxes.)

☐ Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following).

(Name of landlord that obtained judgment)

(Address of landlord)

☐ Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

☐ Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

☐ Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

Voluntary Petition

(This page must be completed and filed in every case)

Name of Debtor(s):

Thunder Mountain Water Company, Inc.

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X **Not Applicable**

Signature of Debtor

X **Not Applicable**

Signature of Joint Debtor

Telephone Number (If not represented by attorney)

Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only **one** box.)

❑ I request relief in accordance with chapter 15 of Title 11, United States Code. Certified Copies of the documents required by 11 U.S.C. § 1515 are attached.

❑ Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in the petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X **Not Applicable**

(Signature of Foreign Representative)

(Printed Name of Foreign Representative)

Date

Signature of Attorney

X

Signature of Attorney for Debtor(s)

Bonnie B. Gandarilla Bar No. 7569

Printed Name of Attorney for Debtor(s) / Bar No.

Moore, Berkson & Gandarilla, P.C.

Firm Name

901 Rio Grande Blvd. NW Ste H-262 P.O. Box 7459

Address

Albuquerque, NM 87194

505-242-1218 **505-242-2836**

Telephone Number

Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X

Signature of Authorized Individual

Edward P. Cardenas

Printed Name of Authorized Individual

President

Title of Authorized Individual

Date

Signature of Non-Attorney Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

Not Applicable

Printed Name and title, if any, of Bankruptcy Petition Preparer

Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

Address

X **Not Applicable**

Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

If more than one person prepared this document, attach to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

United States Bankruptcy Court
District of New Mexico

In re **Thunder Mountain Water Company, Inc.**, Debtor — Case No. ____ Chapter **11**

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(1) *Name of creditor and complete mailing address including zip code*	(2) *Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted*	(3) *Nature of claim (trade debt, bank loan, government contract, etc.)*	(4) *Indicate if claim is contingent, unliquidated, disputed or subject to setoff*	(5) *Amount of claim [if secured also state value of security]*
New Mexico Taxation and Revenue Dep **P.O. Box 8575** **Albuquerque, NM 87198-8575**				**$8,500.00**
Lake Forest Premium Finance Co. **450 Skokie Blvd., Suite 1000** **Northbrook, IL 60062**				**$12,530.70**
Presbyterian Insurance Co. **P.O. Box 911600** **Denver, CO. 80291-1600**				**$897.66**
US Bank **P.O. Box 790401** **St. Louis, MO 63179**		**Security Agreement**		**$6,090.54** **SECURED VALUE: $50,000.00**
Baker Utility Supply Corp. **2351 Aztec Rd. NE** **Albuquerque, NM 87107**				**$3,000.00**

In re Thunder Mountain Water Company, Inc., Case No. ______
Debtor
Chapter 11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

(1)	(2)	(3)	(4)	(5)
Name of creditor and complete mailing address including zip code	*Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted*	*Nature of claim (trade debt, bank loan, government contract, etc.)*	*Indicate if claim is contingent, unliquidated, disputed or subject to setoff*	*Amount of claim [if secured also state value of security]*

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, Edward P. Cardenas, President of the Corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date: 8/17/12

Signature: E Cardenas

Edward P. Cardenas ,President
(Print Name and Title)

Penalty for making a false statement or concealing property. Fine of up to $500,000 or imprisonment for up to 5 years or both. 18 U.S.C §§ 152 and 3571.

Form **1120**
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return

For calendar year 2011 or tax year beginning .... , ending ....

▶ See separate instructions.

OMB No. 1545-0123

2011

A Check if:	TYPE OR PRINT	Name Number, street, and room or suite no. If a P.O. box, see instructions. City or town, state, and ZIP code	**B** Employer identification number
1a Consolidated return (attach Form 851) ☐		THUNDER MOUNTAIN WATER CO., INC.	85-0318114
b Life/nonlife consolidated return ☐			**C** Date incorporated
2 Personal holding co. (attach Sch. PH) ☐		P.O. BOX 1068	10/07/1983
3 Personal service corp. (see instructions) ☐		EDGEWOOD NM 87015-1068	**D** Total assets (see instructions)
4 Schedule M-3 attached ☐		**E** Check if: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change	$ 1,690,294

Income

1a	Merchant card and third-party payments. For 2011, enter -0-	1a	0		
b	Gross receipts or sales not reported on line 1a (see instructions)	1b	503,034		
c	Total. Add lines 1a and 1b	1c	503,034		
d	Returns and allowances plus any other adjustments (see instructions)	1d			
e	Subtract line 1d from line 1c			1e	503,034
2	Cost of goods sold from Form 1125-A, line 8 (attach Form 1125-A)			2	
3	Gross profit. Subtract line 2 from line 1e			3	503,034
4	Dividends (Schedule C, line 19)			4	
5	Interest			5	37,531
6	Gross rents			6	
7	Gross royalties			7	
8	Capital gain net income (attach Schedule D (Form 1120))			8	
9	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)			9	
10	Other income (see instructions – attach schedule)			10	
11	**Total income.** Add lines 3 through 10 ▶			11	540,565

Deductions (See instructions for limitations on deductions.)

12	Compensation of officers from Form 1125-E, line 4 (attach Form 1125-E) ▶			12	52,975
13	Salaries and wages (less employment credits)			13	61,096
14	Repairs and maintenance			14	9,748
15	Bad debts			15	743
16	Rents			16	25,728
17	Taxes and licenses			17	10,285
18	Interest			18	29,814
19	Charitable contributions SEE STMT 1			19	0
20	Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)			20	32,894
21	Depletion			21	
22	Advertising			22	
23	Pension, profit-sharing, etc., plans			23	
24	Employee benefit programs			24	14,111
25	Domestic production activities deduction (attach Form 8903)			25	
26	Other deductions (attach schedule) SEE STMT 2			26	365,838
27	**Total deductions.** Add lines 12 through 26 ▶			27	603,232
28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11			28	-62,667
29a	Net operating loss deduction (see instructions)	29a			
b	Special deductions (Schedule C, line 20)	29b			
c	Add lines 29a and 29b			29c	

Tax, Refundable Credits, and Payments

30	**Taxable income.** Subtract line 29c from line 28 (see instructions)	30	-62,667
31	Total tax (Schedule J, Part I, line 11)	31	0
32	Total payments and refundable credits (Schedule J, Part II, line 21)	32	
33	Estimated tax penalty (see instructions). Check if Form 2220 is attached ▶ ☐	33	
34	**Amount owed.** If line 32 is smaller than the total of lines 31 and 33, enter amount owed	34	
35	**Overpayment.** If line 32 is larger than the total of lines 31 and 33, enter amount overpaid	35	
36	Enter amount from line 35 you want: **Credited to 2012 estimated tax** ▶ **Refunded** ▶	36	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? X Yes ☐ No

Signature of officer | Date | Title: PRESIDENT

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
ROBERT E. MILESHOSKY, CPA				P01315865
Firm's name ▶ MILESHOSKY & COMPANY PA CPA'S			Firm's EIN ▶ 85-0474184	
Firm's address ▶ 2625 PENNSYLVANIA NE SUITE 750 ALBUQUERQUE, NM 87110			Phone no. 505-875-1035	

Schedule C Dividends and Special Deductions (see instructions)

		(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		70	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		80	
3	Dividends on debt-financed stock of domestic and foreign corporations		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		80	
8	Dividends from wholly owned foreign subsidiaries		100	
9	**Total.** Add lines 1 through 8. See instructions for limitation			
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members		100	
12	Dividends from certain FSCs		100	
13	Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15	Foreign dividend gross-up			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3			
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	**Total dividends.** Add lines 1 through 17. Enter here and on page 1, line 4 ▶			
20	**Total special deductions.** Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 29b ▶			

Schedule J Tax Computation and Payment (see instructions)

Part I–Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)) ▶ [X]				
2	Income tax. Check if a qualified personal service corporation (see instructions) ▶ [ ]			2	0
3	Alternative minimum tax (attach Form 4626)			3	
4	Add lines 2 and 3			4	0
5a	Foreign tax credit (attach Form 1118)	5a			
b	Credit from Form 8834, line 30 (attach Form 8834)	5b			
c	General business credit (attach Form 3800)	5c	0		
d	Credit for prior year minimum tax (attach Form 8827)	5d			
e	Bond credits from Form 8912	5e			
6	**Total credits.** Add lines 5a through 5e			6	
7	Subtract line 6 from line 4			7	
8	Personal holding company tax (attach Schedule PH (Form 1120))			8	
9a	Recapture of investment credit (attach Form 4255)	9a			
b	Recapture of low-income housing credit (attach Form 8611)	9b			
c	Interest due under the look-back method—completed long-term contracts (attach Form 8697)	9c			
d	Interest due under the look-back method—income forecast method (attach Form 8866)	9d			
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e			
f	Other (see instructions—attach schedule)	9f			
10	**Total.** Add lines 9a through 9f			10	
11	**Total tax.** Add lines 7, 8, and 10. Enter here and on page 1, line 31			11	0

Part II–Payments and Refundable Credits

12	2010 overpayment credited to 2011			12	
13	2011 estimated tax payments			13	
14	2011 refund applied for on Form 4466			14	( )
15	Combine lines 12, 13, and 14			15	
16	Tax deposited with Form 7004			16	
17	Withholding (see instructions)			17	
18	**Total payments.** Add lines 15, 16, and 17			18	
19	Refundable credits from:				
a	Form 2439	19a			
b	Form 4136	19b			
c	Form 3800, line 17c and Form 8827, line 8c	19c			
d	Other (attach schedule—see instructions)	19d			
20	**Total credits.** Add lines 19a through 19d			20	
21	**Total payments and credits.** Add lines 18 and 20. Enter here and on page 1, line 32			21	

Schedule K Other Information (see instructions)

		Yes	No
1	Check accounting method: a [ ] Cash b [X] Accrual c [ ] Other (specify) ▶		
2	See the instructions and enter the:		
a	Business activity code no. ▶ 221300		
b	Business activity ▶ WATER SUPPLIER		
c	Product or service ▶ WATER		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation ▶		X
4	At the end of the tax year:		
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)		X
b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)	X	

Schedule K Other Information continued (see instructions)

		Yes	No
5	At the end of the tax year, did the corporation:		
a	Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on **Form 851,** Affiliations Schedule? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below.		X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

		Yes	No
b	Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below.		X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

		Yes	No
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.) If "Yes," file **Form 5452,** Corporate Report of Nondividend Distributions. If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.		X
7	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of **(a)** the total voting power of all classes of the corporation's stock entitled to vote or **(b)** the total value of all classes of the corporation's stock? For rules of attribution, see section 318. If "Yes," enter: **(i)** Percentage owned ▶ and **(ii)** Owner's country ▶ **(c)** The corporation may have to file **Form 5472,** Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶		X
8	Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ ☐ If checked, the corporation may have to file **Form 8281,** Information Return for Publicly Offered Original Issue Discount Instruments.		
9	Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $ 0		
10	Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ 1		
11	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ▶ ☐ If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.		
12	Enter the available NOL carryover from prior tax years (do not reduce it by any deduction on line 29a.) ▶ $ 409,866		
13	Are the corporation's total receipts (line 1c plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than $250,000? If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2 on page 5. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. $ ▶		X
14	Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement (see instructions)? If "Yes," complete and attach Schedule UTP.		X
15a	Did the corporation make any payments in 2011 that would require it to file Form(s) 1099 (see instructions)?	X	
b	If "Yes," did or will the corporation file all required Forms 1099?	X	

Schedule L **Balance Sheets per Books**

Assets		Beginning of tax year (a)	(b)	End of tax year (c)	(d)
1	Cash		195,410		85,689
2a	Trade notes and accounts receivable	73,146		115,114	
b	Less allowance for bad debts	( )	73,146	( )	115,114
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (att. sch.) STMT 3		16,960		18,825
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach sch.)				
10a	Buildings and other depreciable assets	2,516,864		2,524,132	
b	Less accumulated depreciation	(1,215,234)	1,301,630	(1,248,126)	1,276,006
11a	Depletable assets				
b	Less accumulated depletion	( )		( )	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)	5,000		5,000	
b	Less accumulated amortization	(5,000)	0	(5,000)	0
14	Other assets (attach sch.) STMT 4		176,000		194,660
15	Total assets		1,763,146		1,690,294
	Liabilities and Shareholders' Equity				
16	Accounts payable		2,425		1,517
17	Mortgages, notes, bonds payable in less than 1 year		8,367		23,151
18	Other current liabilities (att. sch.) STMT 5		68,630		70,828
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		557,864		517,937
21	Other liabilities (attach schedule) STMT 6		2,331		
22	Capital stock: a Preferred stock				
	b Common stock	200,000	200,000	200,000	200,000
23	Additional paid-in capital		1,711,071		1,711,071
24	Retained earnings—Appropriated (att. sch.)				
25	Retained earnings—Unappropriated		-787,542		-834,210
26	Adjustments to SH equity (att. sch.)				
27	Less cost of treasury stock		( )		( )
28	Total liabilities and shareholders' equity		1,763,146		1,690,294

Schedule M-1 **Reconciliation of Income (Loss) per Books With Income per Return**

Note: Schedule M-3 required instead of Schedule M-1 if total assets are $10 million or more – see instructions

1	Net income (loss) per books	-46,668	7	Income recorded on books this year not included on this return (itemize): Tax-exempt interest $; STMT 8 20,991	20,991
2	Federal income tax per books				
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):		8	Deductions on this return not charged against book income this year (itemize): a Depreciation $; b Charitable contributions $	
5	Expenses recorded on books this year not deducted on this return (itemize): a Depreciation $; b Charitable contributions $ 613 ; c Travel and entertainment $ 1,163 ; STMT 7 3,216	4,992	9	Add lines 7 and 8	20,991
6	Add lines 1 through 5	-41,676	10	Income (page 1, line 28)—line 6 less line 9	-62,667

Schedule M-2 **Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1	Balance at beginning of year	-787,542	5	Distributions: a Cash	
2	Net income (loss) per books	-46,668		b Stock	
3	Other increases (itemize):			c Property	
			6	Other decreases (itemize):	
			7	Add lines 5 and 6	
4	Add lines 1, 2, and 3	-834,210	8	Balance at end of year (line 4 less line 7)	-834,210

SCHEDULE O (Form 1120)

Department of the Treasury
Internal Revenue Service

Consent Plan and Apportionment Schedule for a Controlled Group

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-FSC, 1120-L, 1120-PC, 1120-REIT, or 1120-RIC.
▶ See separate instructions.

OMB No. 1545-0123

2011

Name: THUNDER MOUNTAIN WATER CO., INC.

Employer identification number: 85-0318114

Part I Apportionment Plan Information

1 Type of controlled group:

- **a** ☐ Parent-subsidiary group
- **b** ☒ Brother-sister group
- **c** ☐ Combined group
- **d** ☐ Life insurance companies only

2 This corporation has been a member of this group:

- **a** ☒ For the entire year.
- **b** ☐ From ______________ , until ______________ .

3 This corporation consents and represents to:

- **a** ☒ Adopt an apportionment plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on 12/31/11 , and for all succeeding tax years.
- **b** ☐ Amend the current apportionment plan. All the other members of this group are currently amending a previously adopted plan, which was in effect for the tax year ending ______________ , and for all succeeding tax years.
- **c** ☐ Terminate the current apportionment plan and not adopt a new plan. All the other members of this group are not adopting an apportionment plan.
- **d** ☐ Terminate the current apportionment plan and adopt a new plan. All the other members of this group are adopting an apportionment plan effective for the current tax year which ends on ______________ , and for all succeeding tax years.

4 If you checked box 3c or 3d above, check the applicable box below to indicate if the termination of the current apportionment plan was:

- **a** ☐ Elected by the component members of the group.
- **b** ☐ Required for the component members of the group.

5 If you did not check a box on line 3 above, check the applicable box below concerning the status of the group's apportionment plan (see instructions).

- **a** ☐ No apportionment plan is in effect and none is being adopted.
- **b** ☐ An apportionment plan is already in effect. It was adopted for the tax year ending ______________ , and for all succeeding tax years.

6 If all the members of this group are adopting a plan or amending the current plan for a tax year after the due date (including extensions) of the tax return for this corporation, is there at least one year remaining on the statute of limitations from the date this corporation filed its amended return for such tax year for assessing any resulting deficiency? See instructions.

- **a** ☐ Yes.
  - (i) ☐ The statute of limitations for this year will expire on ______________ .
  - (ii) ☐ On ______________ , this corporation entered into an agreement with the Internal Revenue Service to extend the statute of limitations for purposes of assessment until ______________ .
- **b** ☐ No. The members may not adopt or amend an apportionment plan.

7 Required information and elections for component members. Check the applicable box(es) (see instructions).

- **a** ☐ The corporation will determine its tax liability by applying the maximum tax rate imposed by section 11 to the entire amount of its taxable income.
- **b** ☐ The corporation and the other members of the group elect the FIFO method (rather than defaulting to the proportionate method) for allocating the additional taxes for the group imposed by section 11(b)(1).
- **c** ☐ The corporation has a short tax year that does not include December 31.

Part II **Taxable Income Apportionment** (See instructions)

Caution: Each total in Part II, column (g) for each component member must equal taxable income from Form 1120, page 1, line 30 or the comparable line of such member's tax return.

(a) Group member's name and employer identification number		(b) Tax year end (Yr-Mo)	Taxable Income Amount Allocated to Each Bracket: (c) 15%	(d) 25%	(e) 34%	(f) 35%	(g) **Total** (add columns (c) through (f))
1 THUNDER MOUNTAIN WATER CO., INC.	85-0318114	2011-12					
2 PDS BUILDING & DEVELOPMENT, INC	85-0347047	2011-12					
3							
4							
5							
6							
7							
8							
9							
10							
Total							

Part III **Income Tax Apportionment** (See instructions)

(a) Group member's name	(b) 15%	(c) 25%	(d) 34%	(e) 35%	(f) 5%	(g) 3%	(h) Total income tax (combine lines (b) through (g))
	Income Tax Apportionment						
1 THUNDER MOUNTAIN WATER CO., INC.	0	0	0	0	0	0	0
2 PDS BUILDING & DEVELOPMENT, INC	0	0	0	0	0	0	0
3							
4							
5							
6							
7							
8							
9							
10							
Total	0	0	0	0	0	0	0

Part IV Other Apportionments (See instructions)

	Other Apportionments				
(a) Group member's name	**(b)** Accumulated earnings credit	**(c)** AMT exemption amount	**(d)** Phaseout of AMT exemption amount	**(e)** Penalty for failure to pay estimated tax	**(f)** Other
1 THUNDER MOUNTAIN WATER CO., IN (80)	125,000				
2 PDS BUILDING & DEVELOPMENT, INC	125,000				
3					
4					
5					
6					
7					
8					
9					
10					
Total	250,000				

Form **8941**

Department of the Treasury
Internal Revenue Service

Credit for Small Employer Health Insurance Premiums

▶ **Information about Form 8941 and its instructions is available at www.irs.gov/form8941.**
▶ **Attach to your tax return.**

OMB No. 1545-2198

2011

Attachment Sequence No. **63**

Name(s) shown on return	Identifying number
THUNDER MOUNTAIN WATER CO., INC.	85-0318114

1	Enter the number of individuals you employed during the tax year who are considered employees for purposes of this credit (see instructions)	**1**	2
2	Enter the number of full-time equivalent employees you had for the tax year (see instructions). If you entered 25 or more, skip lines 3 through 11 and enter -0- on line 12	**2**	1
3	Average annual wages you paid for the tax year (see instructions). If you entered $50,000 or more, skip lines 4 through 11 and enter -0- on line 12	**3**	27,000
4	Premiums you paid during the tax year for employees included on line 1 for health insurance coverage under a qualifying arrangement (see instructions)	**4**	6,292
5	Premiums you would have entered on line 4 if the total premium for each employee equaled the average premium for the small group market in which you offered health insurance coverage (see instructions)	**5**	7,719
6	Enter the **smaller** of line 4 or line 5	**6**	6,292
7	Multiply line 6 by the applicable percentage: • Tax-exempt small employers, multiply line 6 by 25% (.25) • All other small employers, multiply line 6 by 35% (.35)	**7**	2,202
8	If line 2 is 10 or less, enter the amount from line 7. Otherwise, see instructions	**8**	2,202
9	If line 3 is $25,000 or less, enter the amount from line 8. Otherwise, see instructions	**9**	2,026
10	Enter the total amount of any state premium subsidies paid and any state tax credits available to you for premiums included on line 4 (see instructions)	**10**	
11	Subtract line 10 from line 4. If zero or less, enter -0-	**11**	6,292
12	Enter the **smaller** of line 9 or line 11	**12**	2,026
13	If line 12 is zero, skip lines 13 and 14 and go to line 15. Otherwise, enter the number of employees included on line 1 for whom you paid premiums during the tax year for health insurance coverage under a qualifying arrangement (see instructions)	**13**	2
14	Enter the number of full-time equivalent employees you would have entered on line 2 if you only included employees included on line 13	**14**	1
15	Credit for small employer health insurance premiums from partnerships, S corporations, cooperatives, estates, and trusts (see instructions)	**15**	
16	Add lines 12 and 15. Cooperatives, estates, and trusts, go to line 17. Tax-exempt small employers, skip lines 17 and 18 and go to line 19. Partnerships and S corporations, stop here and report this amount on Schedule K. All others, stop here and report this amount on Form 3800, line 4h	**16**	2,026
17	Amount allocated to patrons of the cooperative or beneficiaries of the estate or trust (see instructions)	**17**	
18	Cooperatives, estates, and trusts, subtract line 17 from line 16. Stop here and report this amount on Form 3800, line 4h	**18**	
19	Enter the amount you paid in 2011 for taxes considered payroll taxes for purposes of this credit (see instructions)	**19**	
20	Tax-exempt small employers, enter the **smaller** of line 16 or line 19 here and on Form 990-T, line 44f	**20**	

Form **3800**

Department of the Treasury
Internal Revenue Service (99)

General Business Credit

▶ See separate instructions.

▶ Attach to your tax return.

OMB No. 1545-0895

2011

Attachment Sequence No. **22**

Name(s) shown on return	Identifying number
THUNDER MOUNTAIN WATER CO., INC.	85-0318114

Part I Current Year Credit for Credits Not Allowed Against Tentative Minimum Tax (TMT)
(See instructions and complete Part(s) III before Parts I and II)

1	General business credit from line 2 of all Parts III with box A checked			1	
2	Passive activity credits from line 2 of all Parts III with box B checked	2			
3	Enter the applicable passive activity credits allowed for 2011 (see instructions)			3	
4	Carryforward of general business credit to 2011. Enter the amount from line 2 of Part III with box C checked. See instructions for schedule to attach			4	19,864
5	Carryback of general business credit from 2012. Enter the amount from line 2 of Part III with box D checked (see instructions)			5	
6	Add lines 1, 3, 4, and 5			6	19,864

Part II Allowable Credit

7	Regular tax before credits: • Individuals. Enter the amount from Form 1040, line 44, or Form 1040NR, line 42 • Corporations. Enter the amount from Form 1120, Schedule J, Part I, line 2; or the applicable line of your return • Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b; or the amount from the applicable line of your return			7	0
8	Alternative minimum tax: • Individuals. Enter the amount from Form 6251, line 35 • Corporations. Enter the amount from Form 4626, line 14 • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 56			8	
9	Add lines 7 and 8			9	
10a	Foreign tax credit	10a			
b	Personal credits from Form 1040 or 1040NR (see instructions)	10b			
c	Add lines 10a and 10b			10c	
11	**Net income tax.** Subtract line 10c from line 9. If zero, skip lines 12 through 15 and enter -0- on line 16a			11	
12	**Net regular tax.** Subtract line 10c from line 7. If zero or less, enter -0-	12			
13	Enter 25% (.25) of the excess, if any, of line 12 over $25,000 (see instructions) CONTROLLED GROUP	13			
14	Tentative minimum tax: • Individuals. Enter the amount from Form 6251, line 33 • Corporations. Enter the amount from Form 4626, line 12 • Estates and trusts. Enter the amount from Schedule I (Form 1041), line 54	14			
15	Enter the greater of line 13 or line 14			15	
16a	Subtract line 15 from line 11. If zero or less, enter -0-			16a	
b	For a corporation electing to accelerate the research credit, enter the bonus depreciation amount attributable to the research credit (see instructions)			16b	
c	Add lines 16a and 16b			16c	
17a	Enter the **smaller** of line 6 or line 16c **C corporations:** See the line 17a instructions if there has been an ownership change, acquisition, or reorganization.			17a	
b	Enter the smaller of line 6 or line 16a. If you made an entry on line 16b, go to line 17c; otherwise, skip line 17c (see instructions)			17b	
c	Subtract line 17b from line 17a. This is the refundable amount for a corporation electing to accelerate the research credit. Include this amount on Form 1120, Schedule J, Part II, line 19c (or the applicable line of your return)			17c	

Part II Allowable Credit (Continued)

Note. If you are not required to report any amounts on lines 22 or 24 below, skip lines 18 through 25 and enter -0- on line 26.

18	Multiply line 14 by 75% (.75) (see instructions)	18	
19	Enter the greater of line 13 or line 18	19	
20	Subtract line 19 from line 11. If zero or less, enter -0-	20	
21	Subtract line 17b from line 20. If zero or less, enter -0-	21	
22	Combine the amounts from line 3 of all Parts III with box A, C, or D checked	22	
23	Passive activity credit from line 3 of all Parts III with box B checked — 23		
24	Enter the applicable passive activity credit allowed for 2011 (see instructions)	24	
25	Add lines 22 and 24	25	
26	Empowerment zone and renewal community employment credit allowed. Enter the smaller of line 21 or line 25	26	0
27	Subtract line 13 from line 11. If zero or less, enter -0-	27	0
28	Add lines 17b and 26	28	
29	Subtract line 28 from line 27. If zero or less, enter -0-	29	0
30	Enter the general business credit from line 5 of all Parts III with box A checked	30	2,026
31	Enter the total eligible small business credit from line 6 of all Parts III with box E checked	31	
32	Passive activity credits from line 5 of all Parts III with box B checked and line 6 of all Parts III with box F checked — 32		
33	Enter the applicable passive activity credits allowed for 2011 (see instructions)	33	
34	Carryforward of business credit to 2011. Enter the amount from line 5 of Part III with box C checked and line 6 of Part III with box G checked. See instructions for schedule to attach	34	1,530
35	Carryback of business credit from 2012. Enter the amount from line 5 of Part III with box D checked and line 6 of Part III with box H checked (see instructions)	35	
36	Add lines 30, 31, 33, 34, and 35	36	3,556
37	Enter the smaller of line 29 or line 36	37	
38	**Credit allowed for the current year.** Add lines 28 and 37. Report the amount from line 38 (if smaller than the sum of Part I, line 6, and Part II, lines 25 and 36, see instructions) as indicated below or on the applicable line of your return: • Individuals. Form 1040, line 53, or Form 1040NR, line 50 • Corporations. Form 1120, Schedule J, Part I, line 5c • Estates and trusts. Form 1041, Schedule G, line 2b	38	0

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below. (see instructions)

- **A** [X] General Business Credit From a Non-Passive Activity
- **B** [ ] General Business Credit From a Passive Activity
- **C** [ ] General Business Credit Carryforwards
- **D** [ ] General Business Credit Carrybacks
- **E** [ ] Eligible Small Business Credit From a Non-Passive Activity
- **F** [ ] Eligible Small Business Credit From a Passive Activity
- **G** [ ] Eligible Small Business Credit Carryforwards
- **H** [ ] Eligible Small Business Credit Carrybacks

I If you are filing more than one Part III with box A, B, E, or F checked, complete and attach first an additional Part III combining amounts from all Parts III with box A, B, E, or F checked. Check here if this is the consolidated Part III ▶ [ ]

	(a) Description of credit **Note:** On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
1a	Investment (Form 3468, Part II only) (attach Form 3468)	1a		
b	Reserved for future use	1b		
c	Increasing research activities (Form 6765)	1c		
d	Low-income housing (Form 8586, Part I only)	1d		
e	Disabled access (Form 8826) (do not enter more than $5,000 in column (c) of Parts III with box A, B, E, or F checked, combined)	1e		
f	Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f		
g	Indian employment (Form 8845)	1g		
h	Orphan drug (Form 8820)	1h		
i	New markets (Form 8874)	1i		
j	Small employer pension plan startup costs (Form 8881) (do not enter more than $500 in column (c) of Parts III with box A, B, E, or F checked, combined)	1j		
k	Employer-provided child care facilities and services (Form 8882)	1k		
l	Biodiesel and renewable diesel fuels (attach Form 8864)	1l		
m	Low sulfur diesel fuel production (Form 8896)	1m		
n	Distilled spirits (Form 8906)	1n		
o	Nonconventional source fuel (Form 8907)	1o		
p	Energy efficient home (Form 8908)	1p		
q	Energy efficient appliance (Form 8909)	1q		
r	Alternative motor vehicle (Form 8910)	1r		
s	Alternative fuel vehicle refueling property (Form 8911)	1s		
t	Reserved for future use	1t		
u	Mine rescue team training (Form 8923)	1u		
v	Agricultural chemicals security (Form 8931) (do not enter more than $2 million in column (c) of Parts III with box A, B, E, or F checked, combined)	1v		
w	Employer differential wage payments (Form 8932)	1w		
x	Carbon dioxide sequestration (Form 8933)	1x		
y	Qualified plug-in electric drive motor vehicle (Form 8936)	1y		
z	Qualified plug-in electric vehicle (Form 8834, Part I only)	1z		
aa	New hire retention (Form 5884-B)	1aa		
bb	General credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1bb		
zz	Other	1zz		
2	Add lines 1a through 1zz and enter here	2		
3	Enter the amount from Form 8844	3		
4a	Investment (Form 3468, Part III) (attach Form 3468)	4a		
b	Work opportunity (Form 5884)	4b		
c	Alcohol and cellulosic biofuel fuels (Form 6478)	4c		
d	Low-income housing (Form 8586, Part II)	4d		
e	Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e		
f	Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f		
g	Qualified railroad track maintenance (Form 8900)	4g		
h	Small employer health insurance premiums (Form 8941)	4h		2,026
i	Reserved for future use	4i		
j	Reserved for future use	4j		
z	Other	4z		
5	Add lines 4a through 4z and enter here	5		2,026
6	Add lines 2, 3, and 5	6		2,026

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below. (see instructions)

A ☐	General Business Credit From a Non-Passive Activity	E ☐	Eligible Small Business Credit From a Non-Passive Activity
B ☐	General Business Credit From a Passive Activity	F ☐	Eligible Small Business Credit From a Passive Activity
C ☒	General Business Credit Carryforwards	G ☐	Eligible Small Business Credit Carryforwards
D ☐	General Business Credit Carrybacks	H ☐	Eligible Small Business Credit Carrybacks

I If you are filing more than one Part III with box A, B, E, or F checked, complete and attach first an additional Part III combining amounts from all Parts III with box A, B, E, or F checked. Check here if this is the consolidated Part III ▶ ☐

(a) Description of credit **Note:** On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
1a Investment (Form 3468, Part II only) (attach Form 3468)	1a		19,864
b Reserved for future use	1b		
c Increasing research activities (Form 6765)	1c		
d Low-income housing (Form 8586, Part I only)	1d		
e Disabled access (Form 8826) (do not enter more than $5,000 in column (c) of Parts III with box A, B, E, or F checked, combined)	1e		
f Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f		
g Indian employment (Form 8845)	1g		
h Orphan drug (Form 8820)	1h		
i New markets (Form 8874)	1i		
j Small employer pension plan startup costs (Form 8881) (do not enter more than $500 in column (c) of Parts III with box A, B, E, or F checked, combined)	1j		
k Employer-provided child care facilities and services (Form 8882)	1k		
l Biodiesel and renewable diesel fuels (attach Form 8864)	1l		
m Low sulfur diesel fuel production (Form 8896)	1m		
n Distilled spirits (Form 8906)	1n		
o Nonconventional source fuel (Form 8907)	1o		
p Energy efficient home (Form 8908)	1p		
q Energy efficient appliance (Form 8909)	1q		
r Alternative motor vehicle (Form 8910)	1r		
s Alternative fuel vehicle refueling property (Form 8911)	1s		
t Reserved for future use	1t		
u Mine rescue team training (Form 8923)	1u		
v Agricultural chemicals security (Form 8931) (do not enter more than $2 million in column (c) of Parts III with box A, B, E, or F checked, combined)	1v		
w Employer differential wage payments (Form 8932)	1w		
x Carbon dioxide sequestration (Form 8933)	1x		
y Qualified plug-in electric drive motor vehicle (Form 8936)	1y		
z Qualified plug-in electric vehicle (Form 8834, Part I only)	1z		
aa New hire retention (Form 5884-B)	1aa		
bb General credits from an electing large partnership (Schedule K-1 (Form 1065-B))	1bb		
zz Other	1zz		
2 Add lines 1a through 1zz and enter here	2		19,864
3 Enter the amount from Form 8844	3		
4a Investment (Form 3468, Part III) (attach Form 3468)	4a		
b Work opportunity (Form 5884)	4b		
c Alcohol and cellulosic biofuel fuels (Form 6478)	4c		
d Low-income housing (Form 8586, Part II)	4d		
e Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e		
f Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f		
g Qualified railroad track maintenance (Form 8900)	4g		
h Small employer health insurance premiums (Form 8941)	4h		1,530
i Reserved for future use	4i		
j Reserved for future use	4j		
z Other	4z		
5 Add lines 4a through 4z and enter here	5		1,530
6 Add lines 2, 3, and 5	6		21,394

SCHEDULE G (Form 1120)
(Rev. December 2011)
Department of the Treasury
Internal Revenue Service

Information on Certain Persons Owning the Corporation's Voting Stock

▶ Attach to Form 1120.
▶ See instructions on page 2.

OMB No. 1545-0123

Name: THUNDER MOUNTAIN WATER CO., INC.

Employer identification number (EIN): 85-0318114

Part I **Certain Entities Owning the Corporation's Voting Stock.** (Form 1120, Schedule K, Question 4a). Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization that owns directly 20% or more, or owns, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote (see instructions).

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Percentage Owned in Voting Stock

Part II **Certain Individuals and Estates Owning the Corporation's Voting Stock.** (Form 1120, Schedule K, Question 4b). Complete columns (i) through (iv) below for any individual or estate that owns directly 20% or more, or owns, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote (see instructions).

(i) Name of Individual or Estate	(ii) Identifying Number (if any)	(iii) Country of Citizenship (see instructions)	(iv) Percentage Owned in Voting Stock
ELIZABETH CARDENAS	525-50-1088	USA	100.000

Form **1125-E** (December 2011) Department of the Treasury Internal Revenue Service

Compensation of Officers

▶ **Attach to Form 1120, 1120-C, 1120-F, 1120-RIC.**

▶ **See separate instructions.**

OMB No. 1545-2225

Name: THUNDER MOUNTAIN WATER CO., INC.

Employer identification number 85-0318114

Note: Complete Form 1125-E only if total receipts are $500,000 or more. See instructions for definition of total receipts.

	(a) Name of officer	**(b)** Social security number	**(c)** Percent of time devoted to business	Percent of stock owned **(d)** Common	Percent of stock owned **(e)** Preferred	**(f)** Amount of compensation
1	EDWARD P. CARDENAS		100.000 %	%	%	47,000
	ELIZABETH CARDENAS		%	100.000 %	%	5,975
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	

2	Total compensation of officers	2	52,975
3	Compensation of officers claimed on Form 1125-A or elsewhere on return	3	
4	Subtract line 3 from line 2. Enter the result here and on Form 1120, page 1, line 12 or the appropriate line of your tax return	4	52,975

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No. 1545-0172
2011
Attachment Sequence No. 179

Name(s) shown on return: THUNDER MOUNTAIN WATER CO., INC.
Identifying number: 85-0318114

Business or activity to which this form relates: REGULAR DEPRECIATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2010 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2012. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	7,269
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	19

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2011	17	23,831
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2011 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only–see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2011 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	1,775
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instructions	22	32,894
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.**)**

24a Do you have evidence to support the business/investment use claimed? X Yes ☐ No **24b** If "Yes," is the evidence written? X Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						25		
26 Property used more than 50% in a qualified business use:								
2007 HONDA ACCORD	09/10/07	100.00 %	24,573	24,573	5.0	200DBHY	1,775	
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28	1,775	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2011 tax year (see instructions):					
43 Amortization of costs that began before your 2011 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	

Statement 1 - Form 1120, Page 1, Line 19 - Charitable Contributions

Description	Amount
CURRENT YEAR CONTRIBUTIONS	$ 613
TOTAL CONTRIBUTIONS AVAILABLE	613
LESS CONTRIBUTIONS DISALLOWED	613
LESS QCC CONTRIBUTIONS DISALL	0
TOTAL DEDUCTION ALLOWED	$ 0

Statement 2 - Form 1120, Page 1, Line 26 - Other Deductions

Description	Amount
CHEMICALS	$ 1,009
CONTRACT LABOR	11,085
INSURANCE EXPENSE	13,285
LICENSES AND FEES	7,536
OFFICE EXPENSE	14,743
PROFESSIONAL EDUCATION	520
PROFESSIONAL FEES	93,756
PURCHASED POWER	12,009
PURCHASED WATER	189,283
QWEST CONTROLS	682
REGULATION COMMISSION EXPENSE	2,866
SHOP EXPENSE	358
TRAVEL AND LODGING	161
UNIFORMS	158
UTILITIES	5,382
VEHICLE EXPENSE	11,842
50% OF MEALS & ENTERTAINMENT	1,163
TOTAL	$ 365,838

Statement 3 - Form 1120, Page 5, Schedule L, Line 6 - Other Current Assets

Description	Beginning of Year	End of Year
INTERCOMPANY TRANSFERS	$ 8,040	$ 10,337
PREPAID INSURANCE	8,920	8,488
TOTAL	$ 16,960	$ 18,825

Statement 4 - Form 1120, Page 5, Schedule L, Line 14 - Other Assets

Description	Beginning of Year	End of Year
WATER RIGHTS	$ 176,000	$ 176,000
DEFERRED TAX ASSET		18,660
TOTAL	$ 176,000	$ 194,660

Statement 5 - Form 1120, Page 5, Schedule L, Line 18 - Other Current Liabilities

Description	Beginning of Year	End of Year
CONSERVATION FEE PAYABLE	$ 351	$ 385
GROSS RECEIPTS TAX PAYABLE	6,860	8,173
OTHER DEFERRED CREDITS	58,899	58,899
PAYROLL TAXES PAYABLE	2,520	3,371
TOTAL	$ 68,630	$ 70,828

Statement 6 - Form 1120, Page 5, Schedule L, Line 21 - Other Liabilities

Description	Beginning of Year	End of Year
ACCUM DEFERRED INCOME TAXES	$ 2,331	$
TOTAL	$ 2,331	$ 0

Statement 7 - Form 1120, Page 5, Schedule M-1, Line 5 - Expenses on Books Not on Return

Description	Amount
SMALL EMPL HEALTH INS CR RED	$ 2,026
OFFICER LIFE INS PREMIUMS	1,190
TOTAL	$ 3,216

Statement 8 - Form 1120, Page 5, Schedule M-1, Line 7 - Income on Books Not on Return

Description	Amount
DEFERRED INCOME TAX	$ 20,991
TOTAL	$ 20,991

Schedule J Tax Computation and Payment (see instructions)

Part I–Tax Computation

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)) ▶ X				
2	Income tax. Check if a qualified personal service corporation (see instructions) ▶ ☐			2	0
3	Alternative minimum tax (attach Form 4626)			3	
4	Add lines 2 and 3			4	0
5a	Foreign tax credit (attach Form 1118)	5a			
b	Credit from Form 8834, line 30 (attach Form 8834)	5b			
c	General business credit (attach Form 3800)	5c	0		
d	Credit for prior year minimum tax (attach Form 8827)	5d			
e	Bond credits from Form 8912	5e			
6	**Total credits.** Add lines 5a through 5e			6	
7	Subtract line 6 from line 4			7	
8	Personal holding company tax (attach Schedule PH (Form 1120))			8	
9a	Recapture of investment credit (attach Form 4255)	9a			
b	Recapture of low-income housing credit (attach Form 8611)	9b			
c	Interest due under the look-back method—completed long-term contracts (attach Form 8697)	9c			
d	Interest due under the look-back method—income forecast method (attach Form 8866)	9d			
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e			
f	Other (see instructions—attach schedule)	9f			
10	**Total.** Add lines 9a through 9f			10	
11	**Total tax.** Add lines 7, 8, and 10. Enter here and on page 1, line 31			11	0

Part II–Payments and Refundable Credits

12	2010 overpayment credited to 2011			12	
13	2011 estimated tax payments			13	
14	2011 refund applied for on Form 4466			14	( )
15	Combine lines 12, 13, and 14			15	
16	Tax deposited with Form 7004			16	
17	Withholding (see instructions)			17	
18	**Total payments.** Add lines 15, 16, and 17			18	
19	Refundable credits from:				
a	Form 2439	19a			
b	Form 4136	19b			
c	Form 3800, line 17c and Form 8827, line 8c	19c			
d	Other (attach schedule—see instructions)	19d			
20	**Total credits.** Add lines 19a through 19d			20	
21	**Total payments and credits.** Add lines 18 and 20. Enter here and on page 1, line 32			21	

Schedule K Other Information (see instructions)

		Yes	No
1	Check accounting method: a ☐ Cash b ☒ Accrual c ☐ Other (specify) ▶		
2	See the instructions and enter the:		
a	Business activity code no. ▶ 221300		
b	Business activity ▶ WATER SUPPLIER		
c	Product or service ▶ WATER		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?		X
	If "Yes," enter name and EIN of the parent corporation ▶		
4	At the end of the tax year:		
a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)		X
b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)	X	

Schedule K **Other Information** continued (see instructions)

		Yes	No
5	At the end of the tax year, did the corporation:		
a	Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on **Form 851,** Affiliations Schedule? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below.		X

(i) Name of Corporation	**(ii)** Employer Identification Number (if any)	**(iii)** Country of Incorporation	**(iv)** Percentage Owned in Voting Stock

		Yes	No
b	Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below.		X

(i) Name of Entity	**(ii)** Employer Identification Number (if any)	**(iii)** Country of Organization	**(iv)** Maximum Percentage Owned in Profit, Loss, or Capital

		Yes	No
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See sections 301 and 316.) If "Yes," file **Form 5452,** Corporate Report of Nondividend Distributions. If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.		X
7	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of **(a)** the total voting power of all classes of the corporation's stock entitled to vote or **(b)** the total value of all classes of the corporation's stock? For rules of attribution, see section 318. If "Yes," enter: **(i)** Percentage owned ▶ and **(ii)** Owner's country ▶ **(c)** The corporation may have to file **Form 5472,** Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached ▶		X
8	Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ ☐ If checked, the corporation may have to file **Form 8281,** Information Return for Publicly Offered Original Issue Discount Instruments.		
9	Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $ 0		
10	Enter the number of shareholders at the end of the tax year (if 100 or fewer) ▶ 1		
11	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ▶ ☐ If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.		
12	Enter the available NOL carryover from prior tax years (do not reduce it by any deduction on line 29a.) ▶ $ 409,866		
13	Are the corporation's total receipts (line 1c plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than $250,000?		X
	If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2 on page 5. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. $ ▶		
14	Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement (see instructions)? If "Yes," complete and attach Schedule UTP.		X
15a	Did the corporation make any payments in 2011 that would require it to file Form(s) 1099 (see instructions)?	X	
b	If "Yes," did or will the corporation file all required Forms 1099?	X	

Schedule L **Balance Sheets per Books**

Assets	Beginning of tax year (a)	(b)	End of tax year (c)	(d)
1 Cash		195,410		85,689
2a Trade notes and accounts receivable	73,146		115,114	
b Less allowance for bad debts	( )	73,146	( )	115,114
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (att. sch.) STMT 3		16,960		18,825
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach sch.)				
10a Buildings and other depreciable assets	2,516,864		2,524,132	
b Less accumulated depreciation	(1,215,234)	1,301,630	(1,248,126)	1,276,006
11a Depletable assets				
b Less accumulated depletion	( )		( )	
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)	5,000		5,000	
b Less accumulated amortization	(5,000)	0	(5,000)	0
14 Other assets (attach sch.) STMT 4		176,000		194,660
15 Total assets		1,763,146		1,690,294
Liabilities and Shareholders' Equity				
16 Accounts payable		2,425		1,517
17 Mortgages, notes, bonds payable in less than 1 year		8,367		23,151
18 Other current liabilities (att. sch.) STMT 5		68,630		70,828
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more		557,864		517,937
21 Other liabilities (attach schedule) STMT 6		2,331		
22 Capital stock: a Preferred stock				
b Common stock	200,000	200,000	200,000	200,000
23 Additional paid-in capital		1,711,071		1,711,071
24 Retained earnings—Appropriated (att. sch.)				
25 Retained earnings—Unappropriated		-787,542		-834,210
26 Adjustments to SH equity (att. sch.)				
27 Less cost of treasury stock		( )		( )
28 Total liabilities and shareholders' equity		1,763,146		1,690,294

Schedule M-1 **Reconciliation of Income (Loss) per Books With Income per Return**

Note: Schedule M-3 required instead of Schedule M-1 if total assets are $10 million or more – see instructions

1 Net income (loss) per books	-46,668	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax per books		Tax-exempt interest $	
3 Excess of capital losses over capital gains		STMT 8 20,991	20,991
4 Income subject to tax not recorded on books this year (itemize):		8 Deductions on this return not charged against book income this year (itemize):	
5 Expenses recorded on books this year not deducted on this return (itemize):		a Depreciation $	
a Depreciation $		b Charitable contributions $	
b Charitable contributions $ 613			
c Travel and entertainment $ 1,163			
STMT 7 3,216	4,992	9 Add lines 7 and 8	20,991
6 Add lines 1 through 5	-41,676	10 Income (page 1, line 28)—line 6 less line 9	-62,667

Schedule M-2 **Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)**

1 Balance at beginning of year	-787,542	5 Distributions: a Cash	
2 Net income (loss) per books	-46,668	b Stock	
3 Other increases (itemize):		c Property	
		6 Other decreases (itemize):	
		7 Add lines 5 and 6	
4 Add lines 1, 2, and 3	-834,210	8 Balance at end of year (line 4 less line 7)	-834,210

Thunder Mountain Water Company Inc.
Balance Sheet
As of August 16, 2012

		Aug 16, 12
ASSETS		
Current Assets		
Checking/Savings		
101 · 1st State Checking (131)		18,496.65
102 · 1st State-Savings (131)		5,440.23
104 · TMWC Line Extension Deposit		12,190.87
108 · Petty Cash		150.00
Total Checking/Savings		36,277.75
Accounts Receivable		
120 · CUSTOMER'S A/R (142)		35,862.57
Total Accounts Receivable		35,862.57
Other Current Assets		
125 · Due from PDS		10,337.67
135 · Undeposited Funds		6,755.44
137 · Prepaid Insurance		8,488.06
Total Other Current Assets		25,581.17
Total Current Assets		97,721.49
Fixed Assets		
145 · Homestead Pump Station		3,013.50
146 · Water Rights		
Dyke Water Rights	176,000.00	
Total 146 · Water Rights		176,000.00
147 · Office Equipment (391)		21,768.56
148 · Vehicles (392)		86,851.85
149 · Generator (328) (For Pumping Station)		14,861.07
150 · Elec. Pump Eq (325)		87,690.14
151 · Hydrants (348)		114,837.41
152 · Mains (343)		1,277,611.33
153 · Mtr Installations (347)		73,738.01
154 · Meters (346)		162,451.42
155 · Reserviors & Tanks (342)		
Tank 4	9,029.37	
155 · Reserviors & Tanks (342) - Other	144,616.25	
Total 155 · Reserviors & Tanks (342)		153,645.62
156 · Services (345)		126,818.01
157 · Leased Well (314)		
Labor	13,192.69	
Materials	13,140.84	
157 · Leased Well (314) - Other	38,578.28	
Total 157 · Leased Well (314)		64,911.81
158 · Struct & Improve (311)		14,618.59

Thunder Mountain Water Company Inc.
Balance Sheet
As of August 16, 2012

		Aug 16, 12
159 · Wtr Treat Eq (332)		17,452.59
161 · Land & Rights of Way (310) (Land & Ri...		
Water Storage Tank Site (Water Storage T...	45,000.00	
161 · Land & Rights of Way (310) (Land & ...	6,000.00	
Total 161 · Land & Rights of Way (310) (Land...		51,000.00
162 · Leased Well # 2 Venus (314)		
Labor	3,890.97	
Materials	12,761.00	
162 · Leased Well # 2 Venus (314) - Other	18,933.44	
Total 162 · Leased Well # 2 Venus (314)		35,585.41
190 · Heavy Equipment (396)		152,463.75
Total Fixed Assets		2,635,319.07
Other Assets		
180 · Organization Costs (301)		5,000.00
181 · Other Assets Non PUC		59,106.78
182 · Small Tools ((394)		5,706.44
188 · Acc Prov/Dep Util		-926,963.94
199 · Deferred Tax Asset		18,660.00
Total Other Assets		-838,490.72
TOTAL ASSETS		1,894,549.84
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
205 · ACCOUNTS PAYABLE (232)		5,594.54
Total Accounts Payable		5,594.54
Other Current Liabilities		
201 · Notes Payable - Current		23,151.12
206 · Conservation Fees Payable		171.50
207 · Contrib/Aid Const (271)		
Tank 4 Income	13,288.16	
Utility Expansion Tax Chrg	7,794.48	
207 · Contrib/Aid Const (271) - Other	2,204,806.48	
Total 207 · Contrib/Aid Const (271)		2,225,889.12
218 · Other Def Credit (253)		58,898.77
220 · Gross Receipt Tax Payable (408)		14,557.96
225 · Payroll Liabilities		1,061.07
Total Other Current Liabilities		2,323,729.54
Total Current Liabilities		2,329,324.08

Thunder Mountain Water Company Inc.
Balance Sheet
As of August 16, 2012

		Aug 16, 12
Long Term Liabilities		
253 · N/P - Dyke Water Rights		104,940.14
253.1 · N/P-Dyke Water Rights - Current		-8,971.58
255 · L/P - PDS General		168,702.01
256 · Tank 4 - USBank - 26 (Tank 4 Was...		53,747.95
257 · L/P - PDS Tank 3		633.20
261 · Loan from Officer Betty		147,134.20
261.1 · N/P - B. Cardenas - Current		-14,179.54
263 · Prepaid Fees		
Ohlsen/Morper	12,697.94	
Total 263 · Prepaid Fees		12,697.94
Total Long Term Liabilities		464,704.32
Total Liabilities		2,794,028.40
Equity		
272 · Common Stock (201)		200,000.00
275 · Unapp. Ret Earn (215)		-274,087.02
280 · RETAINED EARNINGS (Retained Earni...		-748,755.30
Net Income		-76,636.24
Total Equity		-899,478.56
TOTAL LIABILITIES & EQUITY		1,894,549.84

Thunder Mountain Water Company Inc.
Profit & Loss
January 1 through August 16, 2012

		Jan 1 - Aug 16, 12
Income		
INCOME - LINE EXTENSIONS		
330 · Line Ext Income (CIAC)		139,183.41
Total INCOME - LINE EXTENSIONS		139,183.41
INCOME - WATER SALES		
305 · Metered Sales (460.1)		289,384.01
Total INCOME - WATER SALES		289,384.01
MISC. INCOME		
314 · Penalty Income		5,978.18
315 · Misc. Non-Oper (421)		427.50
316 · Misc. Serv Income (471)		2,598.41
317 · Interest Income (419)		147.93
318 · Damaged Property (Property Damaged by Cu...		1,068.54
321 · Purchased Mtrs (CIAC)		650.00
Total MISC. INCOME		10,870.56
Total Income		439,437.98
Cost of Goods Sold		
410 · Purchase Power (622)		4,705.86
412 · Chemicals		318.69
415 · Purchased Water (601)		131,523.30
419 · Qwest Controls (622)		412.94
Total COGS		136,960.79
Gross Profit		302,477.19
Expense		
OPERATIONAL EXPENSES		
431 · Maintenance R&M (922)		
Materials & Equip	5,365.49	
Total 431 · Maintenance R&M (922)		5,365.49
455 · Line Ext Expenses (CIAC)		
Materials & Equipment	29,807.52	
455 · Line Ext Expenses (CIAC) - Other	89,235.50	
Total 455 · Line Ext Expenses (CIAC)		119,043.02
Total OPERATIONAL EXPENSES		124,408.51
OVERHEAD EXPENSES		
515 · Bad Debt Expense (Bad Debt)		66,081.88
520 · Vehicles		
Auto Ins. (Auto Ins.)	111.55	
520 · Vehicles - Other	398.52	

Thunder Mountain Water Company Inc.
Profit & Loss
January 1 through August 16, 2012

		Jan 1 - Aug 16, 12
Total 520 · Vehicles		510.07
526 · Other Taxes Expenses		50.00
570 · Health Ins (926)		6,894.29
572 · General Liability (924)		807.75
573 · Other Insurance		4,094.05
575 · Life Ins (Non PUC)		532.68
577 · W/C Ins. (930)		583.00
582 · Reg Commission Exp		2,732.98
590 · Licenses & Fees (933)		2,517.15
595 · Employee's Salary (920.2)		65,256.53
597 · Payroll Tax Exp (408)		5,646.32
602 · Meals/Entertainment (Business)		940.99
605 · Admin/Office Exp (921)		
Admin Expenses	2,956.73	
Bldg Lease	17,837.92	
Education & Certification	500.00	
Supplies	5,525.21	
Utilities	1,861.95	
605 · Admin/Office Exp (921) - Other	433.56	
Total 605 · Admin/Office Exp (921)		29,115.37
610 · Outside Services (923)		
Accounting	1,916.80	
Legal Services	38,128.12	
610 · Outside Services (923) - Other	3,337.37	
Total 610 · Outside Services (923)		43,382.29
650 · Transportation Exp (933)		
Fuel/Oil	3,398.06	
Parts/Materials	469.66	
Vehicle Lease	620.32	
650 · Transportation Exp (933) - Other	58.82	
Total 650 · Transportation Exp (933)		4,546.86
665 · Interest Expense		14,739.25
675 · Penalties & Fines (930)		42.70
Total OVERHEAD EXPENSES		248,474.16
420 · Donations		660.00
603 · Shop Expense (Tools & Supplies)		624.81
604 · Medical Expenses		4,945.95
Total Expense		379,113.43
Net Income		-76,636.24