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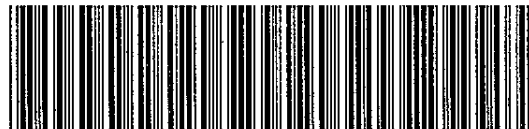
Certificates of Status _____

Special Instructions to Filing Officer:

W05-7086

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Office Use Only



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02/28/05--01050--003 **1399.75

02/02/05--01014--005 **446.50

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TALLAHASSEE, FLORIDA

February 22, 2005

Jason Merrick, Document Specialist
Florida Department of State
Division of Corporations
P.O. Box 6327
Tallahassee, Florida 32314

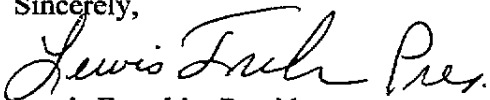
SUBJECT: Fulcrum#1 Limited Partnership
RE: Number: W05000007086
Letter Number: 705A00009537

Dear Mr. Merrick,

Please find enclosed the check you requested for \$1,399.75. Additionally, I have enclosed for your reference a copy of your letter of February 10, 2005 regarding this matter.

Thank you in advance for your help in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Lewis Fromkin Pres.".

Lewis Fromkin, President
Fromkin Energy LLC General Partner
Fulcrum#1 Limited Partnership

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STATE
TALLAHASSEE, FLORIDA

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FLORIDA DEPARTMENT OF STATE

Glenda E. Hood
Secretary of State

February 10, 2005

LEWIS FROMKIN
5055 NORTHWEST 98TH WAY
CORAL SPRINGS, FL 33076

SUBJECT: FULCRUM #1 LIMITED PARTNERSHIP
Ref. Number: W05000007086

We have received your document for FULCRUM #1 LIMITED PARTNERSHIP and your check(s) totaling \$446.50. However, the document has not been filed and is being retained in this office for the following:

LIMITED PARTNERSHIP CERTIFICATE/APPLICATION BASIC FEES

Filing fees \$52.50 minimum - \$1750 maximum
Registered Agent Designation \$35

The filing fee is based on the total amount contributed and anticipated to be contributed by the limited partners as shown in the affidavit at a rate of \$7 per \$1000. The filing fee for an Application to Register a Foreign Limited Partnership is based on the total amount contributed by the limited partners allocated for the purpose of transacting business in the State of Florida at a rate of \$7 per \$1000.

Certified Copy (15 pages or less, \$1 for each additional page after initial 15 pages)	\$52.50
Registered Agent/Office Change	\$35
Name Reservation (120 days nonrenewable)	\$35
Amendment (other than specified)	\$52.50
Affidavit Decreasing Contributions	\$52.50
Affidavit Increasing Contributions \$7 per \$1000 on increase only (\$52.50 minimum-\$1750 maximum)	
Certificate of Status or Fact	\$8.75
Cancellation	\$52.50
Resignation of Registered Agent	\$87.50
LP Annual Report/Uniform Business Report \$7 per \$1000 of invested capital (\$52.50 minimum - \$437.50 maximum) plus Supplemental Fee of \$138.75	
Reinstatement	

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(\$500 for each year or part thereof the
partnership was revoked plus the delinquent
annual report/uniform business report fees)
There is a fee of \$1399.75 due.

Please return your document, along with a copy of this letter, within 60 days or
your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call
(850) 245-6890.

Jason Merrick
Document Specialist

Letter Number: 705A00009537

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STATE
TALLAHASSEE, FLORIDA

Fromkin Energy, LLC
5055 Northwest 98th Way
Coral Springs, Florida 33076

January 27, 2005

Department of State
Division of Corporations
P.O. Box 6327
Tallahassee, FL 32314

Re: FULCRUM #1 LIMITED PARTNERSHIP

Dear Sir/Madam:

I have enclosed an original executed copy of the Agreement and Certificate of Limited Partnership for the above referenced limited partnership. I have also enclosed an Affidavit of anticipated capital. These documents are submitted for the purpose of filing and certification pursuant to Florida State Section 620.116.

I have also enclosed a check in the amount of \$446.50 to cover the filing fees as listed below:

Certified Copy.....	\$ 61.50
Filing Fee (anticipated capital of 500,00)...	350.00
Registered Agent Designation.....	<u>35.00</u>
	\$ 446.50

Please return the certified copy to this address:

Lewis Fromkin
President
Fulcrum #1 Limited Partnership
5055 Northwest 98th Way
Coral Springs, Florida 33076

Sincerely Yours,


Lewis Fromkin

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TALLAHASSEE, FLORIDA

**AGREEMENT AND CERTIFICATE
OF
LIMITED PARTNERSHIP
OF
FULCRUM #1 LIMITED PARTNERSHIP**

THIS AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP made and entered into at 5055 NW 98th Way Coral Springs, Florida 33076 as of January 26, 2005 by and between Fromkin Energy, LLC, a Florida Limited Liability Company, as sole General Partner, Michael Bagley, the Initial Limited Partner, and all other persons and entities who or which shall execute a Subscription Agreement in the form attached hereto as Exhibit I and made a part thereof.

WHEREAS, the General Partners and the Limited Partners (hereinafter sometimes collectively called the "partners") wish to form Fulcrum #1 Limited Partnership as a Limited Partnership organized pursuant to the Florida Revised Uniform Limited Partnership Act (1986) of the State of Florida (hereinafter sometimes called the "ULPA") for the purpose of engaging in the business of participation in the drilling of oil and gas wells.

WHEREAS, the Limited Partners are willing to contribute to the Partnership \$1,500,000 to meet the partnership objectives:

NOW, THEREFORE, in consideration of the covenants contained herein, the parties hereto, intending to be legally bound hereby, agree as follows:

As used in this Agreement, the following terms shall have the following meanings:

- (a) "Agreement" means this Agreement and Certificate of Limited Partnership.
- (b) "Cash Flow" of the Partnership shall have the meaning set forth in Section 11.3.
- (c) "Code" means the Internal Revenue Code of 1986, as amended to date. All references to particular sections of the Code shall be deemed to include references to corresponding provisions of subsequent law.
- (d) The "Fiscal Year" of the Partnership, and its taxable year for Federal income tax purposes, shall be the calendar year.
- (e) The "Partners" shall mean and include both the General Partner and the Limited Partners. "Limited Partners" shall mean and include the persons who shall execute a Subscription Agreement in the form attached hereto as Exhibit I, and the "General Partner II" shall mean Fromkin Energy, LLC. Any reference to the General Partner shall be deemed a reference to the original General Partner-- and any successor General Partner qualifying hereunder. In addition, any references to any Partner shall, unless the context clearly requires otherwise, be deemed a reference to his predecessor and successor (other than a mere assignee) in interest.
- (f) "Proportionate Share" with respect to any Limited Partner shall mean that percentage determined by dividing the number of Interests then held by such Limited Partner by the aggregate number of Interests then held by all the then Limited partners.
- (g) "Schedule" means the Limited Partners and the number of Interests owned by each as set forth in the Subscription Agreement executed by each Limited Partner provided, however, that in the event of an amendment of the Agreement to reflect any change in the Limited Partners or in the number of Interests owned by any Limited Partner, the "Schedule" shall be deemed to be amended accordingly.
- (h) "Subscriptions" means the monetary or other amount of each and all of the agreed subscriptions for Interests of Limited Partnership Interests in the Partnership,
- (i) "Unit" means a \$100,000 Limited Partnership Interest in the Partnership.

All references to statutory provisions shall be deemed to include references to corresponding provisions of subsequent law.

2. Formation and Name of Partnership

The Partners hereby form a Limited Partnership (the "Partnership") pursuant to the provisions of the Florida Revised Uniform Partnership Act (1986). The name of the Partnership shall be FULCRUM #1 LIMITED PARTNERSHIP.

The principal place of business and offices of the Partnership and the Partnership mailing address shall be 5055 NW 98th Way, Coral Springs, Florida 33076.. The telephone number for the Partnership is (954) 693-2509 and the telefax number is (954) 755-1706. The General Partner- reserves the right to change the principal place of business to such other place as it may determine from time to time upon prior written notice to the Limited Partners.

3. Terms

This Agreement shall become effective on the date that at least one executed copy of this Agreement has been duly filed for record and the Partnership shall continue in existence for a period of fifty (50) years, unless earlier dissolved and terminated pursuant to the provisions of this Agreement or by law.

4. Purpose of Partnership

The Partnership was organized for the purpose of engaging primarily in the business of participation in the drilling of oil And gas wells in the state of Pennsylvania.

The Partnership may enter into, make and perform all contracts and other undertakings and may engage in all such activities and transportation, as may be necessary in order to carry out the foregoing purpose. In addition, the partnership may engage in any other type of activity, which is lawful under the laws of the United States and the State of Florida.

5. Name and Address of Partners

(a) General Partner. The name and business address of the General Partner is as follows:

Name	Address
Fromkin Energy, LLC	5055 NW 98 th Way Coral Springs, Florida 33076

LO4-88196

(b) Initial Limited Partner. The name and residence address of the Initial

Limited Partner is as follows:

Name	Address
Michael Bagley	417 NW 108 Terrace Pembroke Pines, Florida 33026

6. Contributions to Capital

6.1 General Partner

The General Partner shall contribute \$15,000.00 to the capital of the Partnership.

6.2 Limited Partners

(a) The Limited Partners shall contribute to the capital of the Partnership the amount of \$1,500,000 divided into 15 equal Units of participation as a Limited Partner hereto, representing a commitment for, and the contribution to capital of \$100,000 per Unit, with a minimum investment per Limited Partner of one unit; For and on behalf of the Partnership, the General Partner- shall receive such contributions of cash or property to the capital of the Partnership from any person or persons who shall be admitted to the Partnership as Limited Partners upon their execution and delivery of the Subscription

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Agreement set forth at the conclusion herein and upon the acceptance thereof by the General Partner Property contributed to the Partnership in exchange for one or more Units of Partnership shall have a fair market value on the date of exchange equal to \$100,000 for each Unit of Interest, such fair market value being determined by the General Partner. The General Partner may, in its discretion, accept subscriptions for partial units, and anything to the contrary notwithstanding, may accept less than the previously stated minimum purchase of one unit.

(b) The Units shall be divided severally among the Limited Partners in accordance with the number set forth on the respective Subscriptions executed and delivered by each of the Limited Partners.

(c) Contributions to the capital of the Partnership from the Limited Partners shall not be accepted from non-accredited investors. An Accredited investor means an individual or entity that meets the definition of an "accredited investor" as that term is defined in Regulation D, as promulgated by the United States Securities and Exchange Commission.

6.3 Initial limited Partner

(a) The Initial Limited Partner shall make a cash contribution of \$1,000.00 which shall be the total contribution made by the Initial Limited Partner.

(b) Notwithstanding provisions of this Agreement to the contrary, the Initial Limited Partner shall be entitled to purchase a Unit of Ownership with a down payment of \$1,000.00 in cash paid at the execution of this Agreement, provided, however, that upon such time as other Limited Partners are admitted, the Subscription Agreement for the Initial Limited partner shall be canceled and the cash down payment shall be returned, without interest, to the Initial Limited Partner who shall henceforth have no partnership interest whatsoever.

6.4 Limited Liability of limited Partners

Anything in this Agreement, or elsewhere to the contrary notwithstanding, the personal liability of the Limited Partners and each of them arising out of or in any manner relating to the Partnership or its business shall not be assessable and shall not exceed the amount of the capital contributions called for pursuant to Section 6.2, and upon the payment of such capital contribution, the Limited Partners shall not have any further personal liability to contribute money or otherwise to, or in respect of, the liabilities or obligations of the Partnership. Upon the payment of each Limited Partner's capital contributions, such Limited Partner shall have not have any further liability or responsibility to the Partnership or its creditors in any event whatsoever.

6.5 Interest

No interest shall be paid on the capital contributions of any Partners.

6.6 Withdrawal

No Partner shall be entitled to withdraw any portion of his capital account except in accordance with the terms of this Agreement.

6.7 Use of Capital Contributions

The total of the cash capital contributions of the Limited Partners shall be used and applied as follows:

The aggregate of all the contributions to capital of the Partnership provided for herein shall be available to the Partnership to carry out the purposes of the Partnership.

6.8 Escrow

The funds in the form of cash payments contributed by the Limited Partners, excepting the Initial Limited Partner, as their respective initial capital contributions shall be deposited directly -into the Partnership bank account and shall be immediately available for the purposes of the Partnership. There shall be no escrow of any cash contributions of the Limited Partners.

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

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7. Advances to the Partnership

In the event that, at any time or from time to time during the terms hereof, the General Partner shall have need of additional funds in excess of the contributions to capital of the Partnership such as the payment of any of its obligations, construction financing, expenses, operating costs, liabilities or expenditures, including, but not limited to, operating deficits, the General Partner- may, in it's' discretion, borrow such funds for and on behalf of the Partnership, with interest payable at rates then prevailing, from commercial banks or other financial institutions or other persons including Partners; provided, however, that any loan to the Partnership from a person who shall not be a Partner, shall be on a basis whereby the lender shall have recourse against only the Project, or the proceeds therefrom, and the Partners, including the General Partner:- " shall have no personal liability or obligation for the payment thereof. Nothing contained herein shall be interpreted or construed to require the General Partner- to advance any of it's funds to or for the benefit of the Partnership.

8. Removal of General Partner-

In the event that the General Partner has taken action or omitted to take action under circumstances such that such act or failure to act constitutes willful misconduct, fraud, or negligence or has made a material misrepresentation in connection with the Private Offering Memorandum, then and in that event, the Limited Partners, by the affirmative written vote of the Limited Partners holding at least 85% of all Limited Partnership Units, may remove the General Partner: and shall then appoint a successor General Partner(s) in their place and stead. Upon such removal, the interest of the General Partner, or Partners as the case may be, shall be transferred without payment to the successor General Partner(s).

The Limited Partners shall not have a right to remove the General Partner- under this Section 8 unless and until counsel acceptable to the then-existing Limited Partners has given its opinion to all Limited Partners and General Partner that the exercise of the right of removal in this Section 8 will not (i) cause the Partnership to be treated as an association taxable as a corporation for Federal Income Tax purposes; (ii) cause the Limited Partners to be treated as other than Limited Partners with the limited liability described in Section 6.4., or (iii) cause a termination of the Partnership as described in Section 12.5.

9. Powers and Duties of the General Partner

9.1 Powers of the General Partner

Subject to the limitations imposed by law and this Agreement, the General Partner: in it's full and exclusive discretion shall have the power to manage and control and make all decisions affecting the business and assets of the Partnership, including, but not limited to, the power to:

A. Establish, maintain and draw upon checking and other accounts in the name of the Partnership in such bank or banks, or brokerage account, or otherwise, as the General Partner may from time to time select in its sole discretion.

B. Negotiate, enter into and execute any and all contracts necessary, desirable or convenient with respect to the business of the Partnership.

C. Execute any notifications, statements, reports, returns or other filings that are necessary or desirable to be filed with any State or Federal Agency, Commission, or Authority, including any State, or Federal Securities Commission; sell, exchange, dispose of, transfer, sublease or otherwise alienate all or part of the business, none of which shall be construed as a termination within the meaning of Section 14.

D. Execute, acknowledge and deliver any and all instruments which are necessary to effectuate any of the foregoing or are otherwise desirable.

E. Employ accountants, title companies, attorneys or other persons, firms, corporations or entities on such terms and for such compensation as they shall determine.

F. To purchase, hold and sell securities of any sort, excepting commodities and derivatives, and any rights therein, to vote proxies and exercise all rights, on behalf of the Partnership.

9.2 Duties of the General Partner

The General Partner- shall manage the affairs of the Partnership in a prudent and businesslike manner and shall devote such part of it's time to the Partnership affairs as is reasonably necessary for the conduct of such affairs; provided, however, that it is expressly understood and agreed that the General Partner shall not be required to devote it's entire time or attention to the business of the Partnership nor shall it be restricted in any manner from participating in other business or activities.

In carrying out its obligations, the General partner- shall:

- A. Render annual reports to the Limited Partners with respect to the operations of the partnership.
- B. Furnish to the Limited Partners, within 90 days after the end of each Fiscal Year, a balance sheet with a report of the receipts, disbursements, net profits, losses and cash flow of the Partnership, and the share of the net profits, losses and cash flow of each Partner for such Fiscal Year. The balance sheet and report shall be prepared in accordance with generally-accepted accounting principals and shall be certified in the customary manner by an independent certified public accountant and also certified by the General Partners to be true and correct to the best of their knowledge and belief.
- C. Obtain and maintain such public liability and other insurance as may be deemed necessary or appropriate by the General Partner.
- D. Deposit all funds of the Partnership in one or more separate bank accounts with such banks or savings and loan or trust companies as the General Partner may designate.
- E. Maintain complete and accurate records of all assets owned or leased by the Partnership and complete and accurate books of account (containing such information as shall be necessary to record allocations and distributions), and make such records and books of account available for inspection and audit by any Partner or his duly authorized representative (at the expense of such Partner) during regular business hours and at the principal office of the Partnership.
- F. Prepare and distribute to all Partners, within 90 days after the end of the Fiscal Year, all reasonable tax reporting information and arrange for the preparation and filing of all necessary Federal, State and local tax returns of the Partnership.
- G. Cause to be filed such certificates and do such other acts as may be required by law to qualify and maintain the Partnership in Florida as a Limited Partnership, including without limitation, the proper filing of a Certificate of Limited Partnership.
- H. Cause the Partnership, at all times, to satisfy and comply with all the requirements and conditions of any and all loans
- I. Within ten days after receipt of notice that the Partnership is in default under the terms and conditions of any loan, mortgages, or other obligations in excess of \$1,000 advise each of the Limited Partners of such default.
- J. Cause an appropriate amendment of the outstanding Certificate of Limited Partnership to be prepared in order to properly reflect the return of all or any portion of the contributions of any Limited Partner and properly file said amendment simultaneously with or within a reasonable time after the distribution(s) representing the return of any Limited partner's contribution.
- K. Cause all persons dealing with the Partnership, or with the General Partner or any agent or employee of the Partnership acting on behalf of the Partnership, to be aware of the character of the Partnership as a Florida Limited Partnership.

9.3 Prohibitions on Actions and Limitations of Power of the General Partner

The General Partner shall have no authority to:

- A. Do any act in contravention to this Agreement.

B. Do any act which would make it impossible to carry on the business of the Partnership.

C. Possess Partnership Property or assign the right of the Partnership to specific Partnership Property for other than a Partnership purpose.

D. Admit a person as a General Partner or as a Limited Partner except as otherwise expressly permitted in this Agreement.

9.4 Reliance on Acts of the General Partners

No financial institution or any other person, firm or corporation dealing with the General Partner shall be required to ascertain whether the General Partner is acting in accordance with this Agreement, but such financial institution or such other person, firm or corporation shall be protected in relying solely upon the deed, transfer or assurance of and the execution of such instrument or instruments by the General Partner.

9.5 Liabilities of the General Partner

In carrying out their duties hereunder, the General Partner shall not be liable to the Partnership or to any other Partner for any actions taken in good faith and reasonably believed to be in the best interests of the Partnership, but shall only be liable for willful misconduct, fraud, negligence, breach of its obligations under this Agreement or other breach of their fiduciary duties to the Partnership or the other Partners.

9.6 Employment by or Dealings with Partnership

The General Partner may directly or indirectly engage, on behalf of the Partnership, itself, any partner or persons or firms associated with any partner for specific purposes of providing services and may otherwise deal with the Partnership on terms and for compensation or commissions that are fair and equitable under the circumstances; provided, however, any and all fees or prices to be charged to the Partnership in connection therewith shall not exceed those customarily charged for such in the area or in a comparable geographical location by persons dealing at arm's length and having no affiliation with the recipient.

9.7 Compensation

The management and control of the day-to-day operation of the Partnership and the maintenance of the Property of the Partnership shall rest exclusively with the General Partner and it shall receive, on a monthly basis, an administrative fee of \$400.00 per well.

9.8 Limited Partners' Protection Against Misrepresentations

The General Partner shall indemnify each limited Partner against, and hold him harmless from, any loss arising from any misstatement in the Agreement and Certificate of Limited Partnership or any amendment thereto or revocation thereof, except to the extent that such misstatement was based upon information given by or on behalf of a Limited Partner.

10. Rights and Prohibitions of Limited Partners

10.1 Rights of limited Partners

Limited Partners shall not in any way be prohibited from or restricted in engaging or owning an interest in any other business venture of any nature including any venture which might be competitive with the Business of the Partnership and, subject to Subsection 9.6., the Partnership may engage Limited Partners or persons or firms associated with them for specific purposes and may otherwise deal with such Limited Partners.

Each Limited Partner shall be entitled to (i) have the Partnership books kept at the principal place of business of the Partnership, and at all times, during business hours, inspect and copy any of them; (ii) have on demand true and full information of all matters affecting the Partnership and a formal account of Partnership affairs whenever circumstances render it just and reasonable, (iii) have dissolution and winding up of the Partnership as provided by this Agreement,

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and (iv) have such additional rights as are elsewhere provided in this Agreement.

10.2 Prohibitions with Respect to limited Partners

No Limited Partner shall have the right:

A. To take part in the management and control of the Partnership Business or to sign for or to bind the Partnership, such power being vested solely in the General Partner. ,

B. To have his capital contribution repaid, except to the extent provided in this Agreement, or to demand property other than cash in payment of his Partnership capital contribution.

C. To require partition of partnership property or to compel any sales or appraisal of Partnership assets or sale of a deceased Partner's interest therein, notwithstanding any provisions of law to the contrary.

D. To sell or assign his interest in the Partnership or to constitute the vendee or assignee thereunder a substituted Limited Partner except as provided in this Agreement.

10.3 Death, Incompetency or Bankruptcy of limited Partner

The death, incompetency or bankruptcy of a Limited Partner shall not dissolve or terminate the Partnership. Upon the death, incompetency or bankruptcy of a Limited partner, his executor, administrator or personal representative shall have the same rights that such Limited Partner would have had under this Agreement if he had not died or become bankrupt or incompetent. The successor in interest of a deceased Limited Partner shall be admitted as a substituted Limited Partner, however, only upon compliance with Section 12.3.

11. Profits, losses and Cash Flow

11.1 Determination of Profits and losses

The net profits and net losses of the Partnership shall be determined in accordance with the accounting methods followed by the Partnership for Federal Income Tax purposes and shall specifically include the Operating Deficit Account.

11.2 Allocation of Profits and Losses:

(a) Ownership by Partner or Partnership. Each partner shall have and own an undivided interest in the Partnership equal to his respective percentage interest in the Partnership in accordance with the terms hereof; provided, however, that no Partner shall have any right to partition with respect to any property or assets of the Partnership.

(b) Percentage Interest in Partnership. Subject to this Agreement, the percentage interest of the Partners in the Partnership for purposes of allocating net profits, net losses, cash flow arising from operation of the Project, shall be as stated herein.

In any given fiscal year in which the Partnership has incurred an ordinary loss as reported for federal income tax purposes, the entire loss shall be allocated to the Limited Partners and divided among them pro-rata in proportion to the respective number of interests owned by each of them.

Notwithstanding the provision for allocating loss among the Limited Partners as specified above, the distribution of Net Cash Flow, Net Profits, and the distribution of Net Cash Flow, Net Profits, and the distribution of the proceeds from a sale or other complete disposition of the Partnership assets or from proceeds realized upon any form of refinancing shall be 75.0% to the Limited Partners and 25.0% to the General Partner. All distributions to the Limited Partners shall be divided among all Limited Partners pro-rata in proportion to the respective number of interests owned by each of them.

(c) Capital Accounts. For the purpose of this Agreement, the term "capital account of any Limited Partner as of any date shall mean the amount of cash or property contributed by such partner to the capital of the Partnership in accordance with the provisions hereof, properly adjusted to reflect (i) the distributive shares to such partner of income, gain, loss, deduction or credit of the Partnership, the distributive share of such items of the Partnership for the period from the close of the last such Fiscal Year of the Partnership to such date, and (ii) Distributions by the Partnership to

such Partner, including, if such date shall not be the close of the Fiscal Year of the Partnership, distributions by the Partnership to such Partner during the period from the close of the last such Fiscal Year of the Partnership to such date.

(d) **Withdrawals from Capital Accounts.** Except as expressly provided herein, no Partner shall be entitled to withdraw any amount from his Capital Account in the Partnership; and no Limited Partner shall have the right to demand and receive property other than cash in return for any contributions to the capital of the Partnership.

(e) **Limitation on Distributions.** Except as expressly provided herein, the General Partner shall make no distribution of the property to the Partnership to any Partner with respect to this interest in the Partnership; and, notwithstanding anything contained herein, the General Partner shall make no distribution or take any other action in violation of the ULPA.

If there is a transfer or substitution of, or any other change in the number of Interests of any Limited Partner during the period covered by allocations hereunder, a daily net profit or net loss shall be computed by dividing the net profit or net loss for the period by the number of days in the period and assigning the result to each day in the period, and that portion of the daily net profit or net loss for each day to be allocated to the Limited Partner shall be so allocated in the proportion to the number of their respective Interests as of the close of business on each such day; provided, however, that profits and losses arising from the disposition of Partnership assets shall be taken into account as of the date thereof.

11.3 Distribution of Cash Flow

(a) **Distribution.** For and on behalf of the Partnership, the General Partner shall distribute the Net Cash Flow of the Partnership as defined in Section 11.3 (e) hereof (hereinafter sometimes called the "Net Cash Flow") with respect to the term hereof among the Partners in accordance with their respective percentage interests in the Partnership. Any distributions made to the Partners hereunder may be made quarterly, semi-annually, or annually (at the discretion of the General Partner), in proportion to their respective percentage interests in the Partnership as of the last day of each calendar month immediately preceding the date of the distribution, as specified in Section 11.2.

(b) **Adjustment and Distributions.** All distributions made with respect to any Fiscal Years of the Partnership in accordance with the provisions of Section 11.3 (a) hereof shall be subject to adjustment by reference to the audited annual financial report with respect to such Fiscal Year. If the provisions of Section 11.3(a) shall require the distributions of any additional amount, such additional amount shall be distributed to the Partners on the same basis as if made on the day immediately following the end of such Fiscal Year as soon as practicable after delivery of such fiscal report and shall be deemed to be a distribution with respect to such Fiscal Year. The General partners may, at their discretion, reduce any subsequent distributions with respect to the Fiscal Year immediately following by the excess of the amount distributed over the amount required to be distributed with respect to the prior Fiscal Year.

(c) **Partner's Shares of Tax Profits and Losses.** Except as otherwise provided herein or in Section 707 of the Code, as from time to time amended and then in effect, the distributive shares of the items of income, gain, loss, deduction and credit of the Partnership for each taxable year of the Partnership during the term hereof shall be allocated among the Partners, subject, however, to the effect of any adjustments as a consequence of any election made in accordance with Section 11 hereof with respect to such Year.

(d) **Adjustments to Basis.** In the case of distribution of property of the Partnership to any Partner or transfer of the interest of any Partner in the Partnership pursuant to the provisions hereof, the Partnership may, but shall not be required to, file the election contemplated by Section 754 of the Code in order to adjust the basis, for Federal income tax purposes, of property of the Partnership in the manner provided by Section 734 and 743 of the Code.

(e) **Net Cash Flow.** As used herein, the Net Cash Flow of the Partnership with respect to any period shall mean all cash receipts of each Prospect Well, less Royalty interests of 12.5% and all cash disbursements thereof, including but not limited to any management fee paid to the General Partners in accordance with Section 9 hereof, during such period as shown on the books of the Partnership but reduced by such reserves for capital improvements, replacements, and for anticipated expenses with respect to the property as the General Partner in its discretion, shall deem to be reasonably necessary or appropriate in the efficient conduct of the Business of the Partnership; except, however, that such receipts and disbursements shall not include the following the last day of December in such year.

(i) net proceeds resulting from refinancing sale or other disposition of all or substantially all of the Project;

- (ii) contributions to the capital of the Partnership;
- (iii) cost of organization of the Partnership, including but not limited to, costs of syndication of the Units hereby;
- (iv) expenditures for the acquisition of Property by the Partnership and for capital improvements or replacements to the extent, however, that such expenditures are financed by contributions to the capital of the Partnership; and
- (v) distribution to the Partners by the Partnership in accordance with Section 11.3 hereof, provided, however, that the Net Cash Flow of the Partnership shall include any other funds, including but not limited to any amount previously set aside as reserves by the General Partner and no longer regarded as reasonably necessary in the efficient conduct of the Business of the Partnership, deemed to be available for distribution and designated as part of the Net Cash Flow of the Partnership by the General Partner in its discretion.

11.4 Distribution of Proceeds of Sale: Refinancing Proceeds.

(a) The General Partner shall distribute among the Partners the net proceeds resulting from the sale, or other complete disposition or upon termination of the Partnership in the following order of priority:

(i) First, to the payment of all debts, and liabilities (including any loans and/or fees then owed to the General Partner of the Partnership); then,

(ii) Next, to the setting up of any reserves which General Partner deems necessary to provide for any contingent or unforeseen liabilities of the Partnership; provided, however, that the expiration of such reasonable period of time as the General Partner, deems advisable, the balance of such reserves established herein remaining after payment of such contingency shall be distributed in the manner as provided in this Section 11; then,

(iii) Next, to the payment of an amount equal to the positive capital account balance of each Partner; then,

(iv) The balance of profits, if any, and all losses, if any, shall be distributed seventy five percent (75%) to the Limited Partners, pro-rata, and twenty five percent (25%) to the General Partner provided, however, that the General Partner may, at its discretion and in order to comply with Internal Revenue Code requirements, require that any Partner having a negative capital account upon liquidation restore the amount of such deficit. Any such restored amount will then be allocable and distributable among the Partners as if gain from sale or refinancing.

11.5 Allocation of Taxable Profits and Losses on Sale. The taxable profits and losses of the Partnership arising from the sale or substantially all of the assets of the Partnership, shall be allocated as follows:

(a) The profits, if any, shall first be allocated among the Partners in proportion to (and in no event greater than the total of the following respective amounts):

(i) The balance of each Partners' capital account.

(b) The balance of profits, if any, and all losses, if any, shall be allocated seventy five percent (75%) to the Limited Partners, pro-rata, and twenty-five (25%) to the General Partner, provided, however, that in the event the General Partner elects to require restoration of capital account deficits, then allocation shall be made as is then necessary to comply with applicable Treasury regulations.

12. Transfer of Interests

12.1 General Partners:

Subject to Sections 13.1, 13.2, 13.3., and 14.3., the interest of the General Partner as such, shall not be transferable, and any attempted assignment shall be ineffective to transfer any such interest.

12.2 Limited Partners:

Subject to Sections 12.4., 12.5., and 12.6., part or all of the interest of a Limited Partner shall be assignable, but the assignee shall not become a substituted Limited Partner, except pursuant to Section 12.3. An assignee who

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does not become a substituted Limited Partner shall have no rights hereunder except to receive any allocations or distributions which (but for the assignment) would have been made to the assignor. No assignment of the interest of a Limited Partner shall be effective as respects the Partnership until a duplicate original copy of the instrument of assignment, properly executed, shall have been received by the Partnership. In the event that any Limited Partner shall wish to sell all or any part of his interest in the Partnership, then, as a condition precedent to the sale by such Limited Partner thereof, such Limited Partner shall give to the General Partner written notice containing a copy of a bonafide, legally-enforceable written offer of a third party forthwith to purchase such interest for a consideration consisting solely of cash to be paid upon the assignment of such interest free and clear of all liens, encumbrances, equities and claims except as provided herein. For a period of 90 days after receipt of such notice from such Limited Partner, the General Partner shall have an option to purchase such interest from such Limited Partner for the same price set forth in the bonafide offer contained in such notice hereunder. If the General Partner shall waive its rights hereunder or shall fail to exercise the option within a 60-day period, then for a period of 30 days thereafter, the option of the General Partner: hereunder shall be suspended; and such Limited Partner shall have the right to accept the written offer to purchase such interest as contained in such notice and shall have the right to transfer such interest in accordance with the terms and provisions of such offer.

Nothing contained in this Section 12.2. shall prevent any Limited Partner from transferring his interest herein, in whole, or in part, whether by Will or intestate, by inter vivos gift, by sale for consideration, by distribution or liquidation or merger of consolidation, by distribution or liquidation or otherwise to any associate thereof. The term "associate", as used herein shall include (i) the Partnership; (ii) the General Partner; (iii) any corporation or organization of which such Limited Partner is, directly or indirectly, the beneficial owner of 50% or more of the equity securities thereof having voting control; (iv) any trust or other estate in which such Limited Partner has a substantial beneficial interest or as to which such Limited Partner serves as trustee or in a similar capacity having control; (v) any individual, corporation, organization, trust or other estate which is the beneficial owner of 50% or more of the equity securities of such Limited Partner; (vi) any substantial beneficiary of such Limited Partner; (vii) any spouse, child, grandchild or parent of such Limited Partner; (viii) any principal of such Limited Partner, and (ix) the United States, any state, territory, any political subdivision thereof, or the District of Columbia.

Notwithstanding the foregoing in this Section 12.2., nothing contained herein shall be interpreted or construed to permit any Limited Partner (i) to assign all or any part of his percentage interest in the Partnership to any individual person who shall be under legal age, to any non-resident alien individual or foreign partnership referred to in the Code; or (ii) to cause a termination of the Partnership in accordance with Section 708 (b) (1) (B) of the Code.

12.3 Substitution of a Limited Partner

In the event of a transfer pursuant to the provisions of Section 12.1. any transferee shall become only an assignee of a Limited Partner in accordance with the ULPA and shall not have the rights of a substituted Limited Partner, unless, with the approval of the General Partner which approval may be withheld for any reason, such transferee shall execute any addendum to this Agreement, agreeing to be bound by all the terms and provisions hereof, to assume all the obligations of the transferor Limited Partner hereunder and to reimburse the Partnership for any costs incurred in connection with any action taken by the Partnership to reflect such transfer under the ULPA.

12.4. Legal Disabilities

A Limited Partner's interests in the Partnership or any portion thereof shall not be assigned or transferred to any person who is insane, incompetent, or has not reached legal age or to a person or entity not lawfully empowered to own such interest, and any assignment or transfer directly to a person or entity under any such disability may be disregarded by the Partnership in its discretion; provided, however, that a Limited Partner may transfer his interest free of any restrictions imposed by this Section 12.4. to trust for the benefits of his spouse and/or issue or to a custodian for his minor issue, notwithstanding the legal disability of such beneficiaries.

12.5 Termination of Partnership

No Partner's interest or any portion thereof shall be transferable or assignable to the extent that any such transfer or assignment would result in the termination of the Partnership for Federal income tax purposes and any attempted assignment in violation hereof shall be ineffective to transfer any such interest.

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12.6 Effects of Sales or Other Disposition of Interests

In the event a Limited Partner sells or otherwise disposes of his Interest during a Fiscal Year, income, expenses, deductions, credits, gains, losses and Cash Flow with respect to such Fiscal Year allocable to such Partnership interests during which Fiscal Year shall be allocated among the persons (including corporations, trust estates and partnerships) who were holders of such Interests during such Fiscal Year, in proportion to the number of days that each such holder was recognized as the owner on the records of the Partnership of such Interests during such full calendar year, without regard to the results of the Partnership operations (including extraordinary gains or losses) for the period of the Fiscal Year that the Interest was actually held by the person selling or otherwise disposing of the Interest and without regard to the date, amount, or recipient of any distribution which may have been made with respect to such Interest for the Fiscal Year of sale or other disposition.

12.7 Investment-Representation: Securities Restriction

All of the Partners hereby represent and warrant that they are purchasing their Interests in the Partnership for their own account and not with a view to the distribution or resale thereof. The offering and sale of the Interests pursuant to this Agreement, has not been registered under the Securities Act of 1933, and notwithstanding any other provisions of this Agreement, all Partners agree that no Interests may be sold or transferred to any person, unless (i) such interest is registered under the Securities Act 1933, or (ii) an opinion of counsel satisfactory to the Partnership is obtained to the effect that such registration is not necessary.

13. Retirement and Withdrawal of General Partners: Conversion of Interest

13.1 Retirement and Withdrawal

The General Partners may elect to retire and withdraw from the Partnership at any time from and after 12 months from the date of this Agreement upon 120 days prior written notice to all Limited Partners; provided, however, that the retiring General Partner shall not be relieved of its obligations to the Partnership and Limited Partners arising prior to their retirement or withdrawal, and any obligations and/or liabilities resulting or arising from event, actions, inactions or transactions occurring during the period in which it was the General Partner.

14. Termination of the Partnership and Distribution Upon Termination

14.1. Termination

The Partnership shall be terminated upon: (i) the expiration of the term specified in Section 3; (ii) the insolvency, retirement, death, bankruptcy or adjudication of insanity or incompetency of a General Partner unless the Partnership is reconstituted and continued as provided in Section 14.3.; (iii) the voluntary or involuntary sale of all of the assets of the Partnership; (iv) upon the vote of the General Partner and the then-existing limited Partners holding 85% of the Limited Partnership Units. In the event of the retirement, insolvency, dissolution, bankruptcy, liquidation, death or adjudication of insanity or incompetency of a General Partner, a notice to the effect shall be sent to each Limited Partner by the remaining General Partners or, if none, by the legal representative of a deceased or disqualified General Partner.

Upon dissolution of the Partnership, the General Partners, or if none, a trustee chosen by the holders of 85% of the Interests (the "Trustee") shall proceed with the liquidation and winding up of the Partnership and its assets shall be applied and distributed as provided in Section 14.2.

14.2 Priority of Distribution of Assets of the Partnership

In the event of termination, the affairs of the Partnership shall be wound up and an accounting made by the General Partners or the Trustee. Thereafter, there shall be distributions of cash available as follows:

A. To the payment of debts and liquidations of the Partnership and expenses of liquidation.

B. To the setting up of any reserves (to be held in a special interest bearing account) which the liquidating General Partners or Trustee may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership; provided, however, that at the expiration of such time as the liquidating General Partners or Trustee

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deem advisable (in the event more than two years from the event of termination and dissolution), the balance of such reserves remaining after payment of such contingent liabilities shall be distributed in a manner hereinafter set forth in this Section 14.1.

C. The balance, if any, shall be distributed to the Partners in accordance with and to the extent of their capital account balance.

E. The balance of all cash proceeds available shall be distributed 25% to the General Partner and 75% among the Limited Partners in proportion to the number of their respective Units.

14.3 Election to Continue the Partnership

Upon the retirement, insolvency, death, adjudication of bankruptcy, insanity or mental incompetency of a General Partner, all of the Limited Partners may elect within 90 days after notice of such event to reconstitute and continue the Partnership and, if there is not remaining General Partner, designate a substituted General Partner(s). If a substituted General Partner(s) is so selected and accepted, such substituted General Partner(s) shall acquire (i) all of the departed General Partner's interest by paying to it the fair market value of such interest. Any dispute as to such fair market value shall be promptly submitted to an arbitration committee composed of three persons, one chosen by the departed General Partner, one chosen by the substituted General Partner(s) and the third chosen by the other two. The procedures of such committee shall conform to the rules of the American Arbitration Association. Any portion of the departed General Partner's interest not so acquired shall become a Limited Partner Interest in accordance with Section 13.2. Subject to other written agreements and exceptions accepted by all the Limited Partners, the substituted General Partner(s) shall assume from after the date of substitution and upon becoming a party to this Agreement, all the rights, powers and obligations of a General Partner under this Agreement.

14.4 Time for Winding Up

A reasonable time shall be allowed for the orderly liquidation of assets of the Partnership and the discharge of liabilities to creditors so as to enable the General Partner to minimize the normal losses attendant upon a liquidation.

14.5 Final Accounting

Each of the Partners shall be furnished with a statement, certified by the Partnership's independent accountants, setting forth the assets and liabilities of the Partnership as of the date of complete liquidation. Upon the compliance by the General Partners or Trustee, as is applicable, with the foregoing distribution plan, the Limited Partners shall cease to be such, and the General Partner shall execute and cause to be filed a Certificate of Cancellation of the Partnership and any and all other documents necessary with respect to termination and cancellation.

15. Financing Proceeds

Subject to all other provisions of this Agreement, the General Partner in its sole discretion, may when necessary, in order to carry out the purpose and intent of the Business, enter into financing arrangements with commercial banks or other financial institutions to borrow funds on a strictly non-recourse basis. The foregoing shall not be deemed to obviate or otherwise lessen the responsibility and obligation that any third party may have to the Partnership.

16. Amendment

This Agreement may be amended by a writing executed by the General Partner and by Limited Partners holding at least 85% of the Limited Partnership Interests; provided, however that (i) it may be modified from time to time by the General Partner to reflect any change in the Partners or in the number of Interests owned by any Partner or for the purpose of clarification without changing the substance of the Agreement; (ii) no amendment shall reduce a Partner's interest in the Partnership unless the writing is executed by him; and (iii) no amendment shall effect any change in this Section unless the writing is executed by all the Partners.

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17. Power of Attorney

17.1 Powers

Each of the Limited Partners irrevocably constitutes and appoints the General Partner: his true and lawful attorney in this name, place and stead to make, execute, swear to, acknowledge, deliver and file:

A. Any certificates or other instruments which may be required to be filed by the Partnership under the laws of the State of Florida or jurisdiction in which the Partnership shall transact Business or in which the General Partner: shall deem it advisable to file:

B. Any documents, certificates or other instruments, including without limiting the generality of the foregoing, any and all amendments and modifications of this Agreement or of the instruments described in Section 17.1.A., which may be required or deemed desirable by the General Partner to effectuate the provisions of any part of this Agreement or necessary to continue and to carry on the Business of the Partnership; and

C. All documents, certificates or other instruments which may be required to effectuate the dissolution and termination of the Partnership or the organization of any new limited partnership occasioned by designated events as herein before provided.

The power of attorney granted hereby shall not constitute a waiver of, or be used to avoid, the rights of the Limited Partners to approve amendments to this Agreement, or be used in any manner inconsistent with the status of the Partnership as a Limited Partner or the limited liability of the Limited Partners.

17.2 Survival of Power

It is expressly intended by each of the limited Partners that the foregoing power of attorney is coupled with an interest, is irrevocable and shall survive the death, adjudication of incompetency or insanity of each such Limited Partner. The foregoing power of attorney shall survive the delivery of an assignment by any of the limited Partners of his entire interest in the Partnership, except that where an assignee of such entire interest has become a substituted Limited Partner than the foregoing power of attorney of the assignor limited Partner shall survive the delivery of such assignment for the sole purpose of enabling the General Partner to execute, acknowledge and file any and all instruments necessary to effectuate such substitution.

18. Miscellaneous Provisions

18.1 Books of Account

The General Partner:, shall keep and maintain, or cause to be kept and maintained, in accordance with sound accounting practices, complete and accurate books, records and accounts of the Partnership. The Partnership books shall be kept on the account method, cash or accrual basis, most favorable to the Partners and in accordance with generally accepted accounting principles consistent with those employed for determining partnership income for Federal income tax purposes. All books, records and accounts of the Partnership shall be kept at all times at the principal office of the Partnership. All Partners shall have the right to examine such books, records and accounts at any and all reasonable hours.

18.2 Accounts and Accounting Decisions

Certified public accountants (the "Auditors") shall be retained by the General Partner. All decisions as to accounting matters, except as specifically provided to the contrary herein, shall be made by the General Partner in accordance with generally accepted accounting principles consistently applied. Such decisions shall be acceptable to the Auditors employed by the Partnership, and the General Partner may rely upon the advice of the Auditors (or their replacements or successors) as to whether such decisions are in accordance with generally accepted accounting principles.

18.3 Addresses and Notices

The address of the Partnership shall be at its principal office. The address for each Partner for all purposes shall be as set forth next to each Partner's name on the Schedule, or such other address of which the General Partners have received written notice. Any notice, demand or request required or permitted to be given or made hereunder shall be

deemed given or made when delivered or sent by certified or registered mail to such Partners at such addresses.

18.4 Titles and Captions

All captions are for convenience only. They do not form a substantive part of this Agreement, and shall not restrict or enlarge any substantive provisions of this Agreement.

18.5 Pronouns and Plurals

All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the person or persons may require.

18.6 Further Action

The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purpose of this Agreement.

18.7 Entire Agreement

This Agreement contains the entire understanding between and among the parties hereto and supersedes any prior understanding and agreements between or among them respecting the subject matter of this Agreement.

18.8 Counterparts

This Agreement may be executed in several counterparts, and all so executed shall constitute one agreement, binding on all parties hereto, notwithstanding that all the parties are not signatory to the original of the same counterpart.

18.9 Applicable Law

This Agreement and the rights of the Partners hereunder shall be interpreted in accordance with the laws of the State of Florida.

18.10 Benefits

This Agreement shall inure to the benefit of and shall bind the parties hereto, their permitted successors and permitted assigns.

18.11 Severability

The validity or unenforceability of any provision of this Agreement in a particular respect shall not affect the validity or enforceability of any other provision of this Agreement or of the same provision of any other respect.

18.12 Successors in Interest

Except as otherwise provided herein, all provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by and against the respective heirs, executors, administrators, personal representatives, successors, and assigns of each Partner.

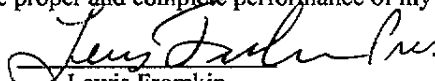
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19. Designation and Acceptance of Agent for Service of Process

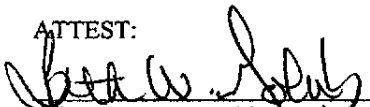
(a) The name and address of the agent for service of process is as follows:

Name	Address
Lewis Fromkin	5055 NW 98 th Way Coral Springs, Florida 33076

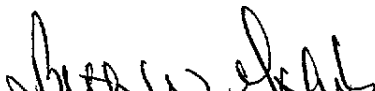
(c) Acceptance of Agent for Service of Process. Having been designated herein as agent for service of process, at the place designated above I hereby agree, pursuant to the requirements of the Florida Revised Uniform Limited Partnership Act (1986) to act in this capacity, and I hereby agree to comply with the provisions of the Florida Revised Uniform Limited Partnership Act (1986) relative to the proper and complete performance of my duties.


Lewis Fromkin

IN WITNESS WHEREOF, the parties hereto have executed this Agreement and Certificate of limited Partnership on the date and year above first written.

ATTEST:

Witness as to Fromkin

Fromkin Energy, LLC
By: 
Lewis Fromkin, President


Witness as to Bagley

INITIAL LIMITED PARTNER

Michael Bagley

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AFFIDAVIT

STATE OF Florida)

COUNTY OF Broward)

Before me, the undersigned authority, personally appeared Lewis Fromkin who, first being duly sworn deposes and says:

1. That Lewis Fromkin, on behalf of Fromkin Energy, LLC, is the sole General Partner of Fulcrum #1 Limited Partnership, a Florida limited partnership being filed for certification concurrent with the submission of this Affidavit.
2. That the capital contribution of all limited partners as of this date is \$1,000.00.
2. That the capital contributions that are contemplated for all limited partners of the said limited partnership total \$500,000.00.

Further affiants sayeth not.

By: Lewis Fromkin Pres.
Lewis Fromkin, President

Sworn to and subscribed before
Me this 28 day of January 2005.

Notary Public, State of Florida
Produced a Florida Drivers License
As identification # _____



Brenda Siflinger
Commission # DD 036979
Expires Sept. 3, 2005
Bonded Thru
Atlantic Bonding Co., Inc.

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