

Allied Energy Announces Record Sales and Growth for 2008

BOWLING GREEN, KY--(MARKET WIRE)—April 27, 2009 -- Allied Energy (Other OTC:[AGGI.PK - News](#)) announced record sales and continued growth during 2008. Audited financial statements are now available to the general public at [www.pinksheets.com](#) and [www.alliedenergy.com](#)

The Company reported revenue of \$13.3 million for 2008. This is an increase of \$3.2 million or 31.21%, compared to 2007. The Company's net income before taxes for 2008 was \$1.4 million.

The Company's cost of sales for 2008 totaled \$8.7 million, compared to \$2.3 million in 2007, an increase of \$6.4 million, as a direct result of the Company's ramp up of drilling programs, infrastructure build-out for acquired properties in Rogers and Pawnee Counties, Oklahoma, Leon County, Texas, Morgan County, Colorado and other investments made by the Company.

The Company's selling, general and administrative expenses decreased from a total of \$5.5 million in 2007 to a total of \$3.2 million in 2008. The Company attributes this decrease in costs to the increased efficiency and overall improvements made by the Company in 2008.

The Company's assets increased during 2008 to \$6.6 million from \$5.2 million at year-end in 2007.

The Company's cash and cash equivalents increased by approximately \$800,000 to \$2.3 million from \$1.5 million since December 31, 2007. Cash used during 2008 included, but was not limited to, increased Company participation in drilling program syndications, numerous lease mineral rights acquisitions, development of oil producing properties, building of gas line infrastructure, stock buy back program, other alternative investments and the acquisition/formation of the Company's own operating company located in Rogers County, Oklahoma, Allied Operating, LLC. Allied Operating, LLC, a wholly owned subsidiary of Allied Energy, operates Allied Energy's producing properties and provides supervision of the Company's drilling, completion and entire field operations in Rogers County, Oklahoma.

"Regardless of the state of the global economy, Allied Energy continues to grow while making serious plans for the future," said Steve Stengell, Allied's President. "Not only are we profitable but I firmly believe the Company's quality of earnings has significantly improved and will continue to improve in future years", added Stengell.

The Company currently executes a strategy of developing projects in Oklahoma as well as other areas across the country. Allied is currently focused on securing additional acreage in Rogers County with the goal of drilling up to 150-200 CBM Coalbed Methane and/or conventional wells over the next few years.

In the first quarter 2009, Allied Energy, Inc. formed Allied Gas Transmission, a majority owned subsidiary, for the purpose of developing the Company's future gas market and natural gas transmission systems in Rogers County, Oklahoma.

In addition to Rogers County, Oklahoma, the Company has expanded its drilling operations to include the Company's nine well program in Southeast Ohio and a four well program in Pawnee Counties, Oklahoma while also participating in test projects located in Fisher and Leon Counties, Texas and Morgan County, Colorado. The Company has discovered natural gas and/or oil for nine well locations in Ohio, four wells in Pawnee County, Oklahoma and one test well in Leon County, Texas. The test well drilled in Fisher County was deemed noncommercial for production. The Company is scheduled to begin drilling its first test location in Morgan County, Colorado in the near future. No assurances can be made as it relates to present or future production rates or estimated reserves.

About Allied Energy:

Allied Energy, Inc. (Other OTC:[AGGI.PK - News](#)) is an independent energy development firm primarily engaged in the exploration, development, and production of oil and natural gas in the continental United States. The company relies upon its industry partners, well operators, geologists, petroleum engineers, subcontractors and financial analysts whose combined industry experience is essential to the success of each project. Allied Energy's strategic focus is the development of oil and natural gas reserves. As the fuel of choice to meet the growing demand for a clean-burning domestically produced fuel, the Company firmly believes its oil and natural gas exploration strategy will provide substantial growth to the Company for years to come. For more information: www.alliedenergy.com

Certain statements in this release and the attached corporate profile that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may be identified by the use of words such as "anticipate," "believe," "expect," "future," "may," "will," "would," "should," "plan," "projected," "intend," and similar expressions. Such forward-looking statements involve known and unknown risks including but not limited to geological and geophysical risks inherent to the oil and gas industry, uncertainties and other factors that may cause the actual results, price of oil and natural gas, state of the economy, industry regulation, reliance upon expert recommendations and opinions, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. The Company may have varying degrees of working interest ownership in each well and/or prospect. Thus, gross revenue projections may not be equal to what is distributed net to the Company. The Company's future operating results are dependent upon many factors, including but not limited to the Company's ability to: (i) obtain sufficient capital or a strategic business arrangement to fund its expansion plans; (ii) build the management and human resources and infrastructure necessary to support the growth of its business; (iii) competitive factors and developments beyond the Company's control including but not limited to the strength of the overall economy; and (iv) other risk factors inherent to the oil and gas industry.

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