

CAMBRIDGE EXPLORATION, INC.

CAMBRIDGE EXPLORATION, INC.

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ALLEN, TEXAS 75013

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www.cambridgeexploration.com

- ENERGY SOLUTIONS TODAY
- SEE OUR WEBSITE AT www.cambridgeexploration.com
- HIGH YIELD INVESTMENTS
- ANNOUNCING CAMBRIDGE'S LOTSPEICH OIL PROSPECT

SEC/FINRA Disclosure

OUR SECURITIES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933 ("1933 ACT") IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION PROVIDED BY SECTION 4(2) OF THE 1933 ACT AND RULE 506 THEREUNDER. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE 1933 ACT AND APPLICABLE STATE SECURITIES LAWS BY WAY OF REGISTRATION OR EXEMPTION THEREFROM. YOU SHOULD BE AWARE THAT YOU MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THE SECURITIES WILL BE SOLD ONLY TO "ACCREDITED INVESTORS" WITHIN THE MEANING OF RULE 501 OF THE 1933 ACT WHO OTHERWISE MEET CERTAIN MINIMUM SUITABILITY STANDARDS.

ALL INVESTORS MUST BY REASON OF THEIR BUSINESS OR FINANCIAL EXPERIENCE (OR THE BUSINESS OR FINANCIAL EXPERIENCE OF THEIR PROFESSIONAL ADVISORS WHO ARE UNAFFILIATED WITH THE COMPANY) BE REASONABLY ASSUMED TO HAVE THE CAPACITY TO PROTECT THEIR OWN INTERESTS IN CONNECTION WITH THE TRANSACTION. SEE "INVESTOR SUITABILITY STANDARDS AND TRANSFER RESTRICTIONS."

YOU WILL BE REQUIRED TO REPRESENT THAT YOU ARE ACQUIRING THESE SECURITIES FOR INVESTMENT AND NOT WITH A VIEW TO RESALE OR DISTRIBUTION.

THIS OFFERING DOES NOT CONSTITUTE A PUBLIC OFFER TO SELL OR A PUBLIC SOLICITATION OR AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION IN WHICH IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. NO OFFERING LITERATURE OR ADVERTISING OF ANY SORT SHALL BE EMPLOYED IN THE OFFERING OF THE SECURITIES EXCEPT FOR THIS MEMORANDUM AND ANY EXHIBITS, SUPPLEMENTS OR AMENDMENTS HERETO.

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS MEMORANDUM. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION DIFFERENT FROM THAT CONTAINED IN THIS MEMORANDUM. THE INFORMATION CONTAINED IN THIS MEMORANDUM IS ONLY ACCURATE AS OF THE DATE OF THIS MEMORANDUM.



WESTBROOK PROSPECT BACKGROUND

WESTBROOK OIL FIELD COVERS OVER 125 SQUARE MILES CONTAINING MORE THAN 80,000 PRODUCING ACRES, AND LAYS FROM THE SOUTHWEST TO THE NORTHEAST APPROXIMATELY 3 TO 12 MILES WEST OF THE TOWN OF WESTBROOK, TEXAS.

Cambridge Exploration's LOTSPEICH LEASE IS 400 ACRES IN THE T&P RR SURVEY, T-1-S, SECTION 1.

INFIELD DRILLING HAS A VERY HIGH PERCENTAGE OUTCOME OF MAKING COMMERCIAL WELLS.

THERE ARE CURRENTLY ***5 ZONES THAT ARE PRODUCING OIL TODAY.***

ON THE LOTSPEICH LEASE THE LOWER CLEARFORK AT 3150-3350 HAS BEEN PRODUCING FOR 40+ YEARS AND IS CURRENTLY BEING WATER FLOODED ON THE NORTHEAST CORNER.

OPERATORS HAVE DISCOVERED THAT THE MIDDLE AND UPPER CLEAR FORK AND THE SAN ANGELO ZONES ARE PRODUCTIVE THRU OUT THE WESTBROOK FIELD AND FOR THE LAST TEN YEARS HAVE BEEN STEADILY DRILLING THE WESTBROOK FIELD FOR THESE ADDITIONAL PAY ZONES.

THE CLEAR FORK WAS ***ORIGINALLY DRILLED ON 40 ACRE PRORATION UNITS*** BUT THE LAST 10 YEARS IT HAS BEEN DRILLED ON ***TEN TO TWENTY ACRE SPACING FOR THE ADDITIONAL ZONES.***

THE SAN ANDRES IS A PROLIFIC PRODUCER TO THE NORTH AND SOUTHWEST OF OUR LEASE. THIS ZONE RUNS FROM ABOUT 1200-1900 FEET DEEP AND IS PRESENT ON THE LOTSPEICH LEASE. THE SAN ANDRES IS DRILLED ON TEN ACRE PRORATION UNITS.

THE WESTBROOK FIELD IS A VERY HUGE AND PROLIFIC PRODUCING FIELD COVERING A VERY LARGE AREA.

DID YOU KNOW

TEXAS is now producing more oil per day than is imported from Saudi Arabia

THE UNITED STATES oil production will surpass our oil needs in two to three years

That Means: No More Imported Oil

No More TRILLIONS of Dollars Overseas every year

WESTBROOK FIELD CURRENTLY PRODUCES OVER 200,000 BARRELS OF OIL PER MONTH

Cambridge's Lotspeich Lease is an infield drilling opportunity with five currently producing zones.

WESTBROOK FIELD – LOTSPEICH LEASE

THE WESTBROOK AND IATAN OIL FIELDS WERE DISCOVERED IN 1920. THE ORIGINAL DISCOVERY WELL IS STILL PRODUCING TODAY. THE WESTBROOK AND IATAN FIELDS SHOW TO BE PRODUCTIVE ON OUR LOTSPEICH LEASE.

OUR LOTSPEICH LEASE WAS DRILLED BY EXXON AND HAS BEEN HELD BY PRODUCTION SINCE 1943. IT WAS ORIGINALLY DRILLED IN THE LOWER CLEAR FORK FORMATION ON 40 ACRE SPACING. THE TWO FIELDS IN RECENT YEARS HAVE BEEN REDRILLED ON 10-20 ACRE PRORATION UNITS TO PRODUCE FROM FOUR SHALLOWER PAY ZONES (THE SAN ANDRES, GLORIETA, UPPER CLEAR FORK, AND MIDDLE CLEAR FORK). CURRENTLY THERE ARE APPROXIMATELY 1177 WELLS PRODUCING IN THESE FIELDS, WITH ACTIVE WATERFLOODING IN THESE ZONES.

THE LAST 10-12 YEARS OPERATORS HAVE BEEN DRILLING FOR THESE SHALLOWER PAY ZONES IN THE WESTBROOK AND IATAN FIELDS.

OUR LOTSPEICH LEASE HAS HAD TWO NEW OFFSET WELLS DRILLED DIRECTLY OFF OF OUR NORTH FENCE LINE, AND A THIRD WELL PERMITTED, ALL WITHIN THE LAST TWELVE MONTHS. THE OPERATOR IS MAINTAINING A “TIGHT HOLE” POLICY REGARDING INFORMATION ABOUT THESE WELLS. HOWEVER WE HAVE LEARNED THAT AT LEAST ONE WELL IS FLOWING OIL.

THERE BEEN FIVE UNSOLICITED OFFERS FROM OTHER OIL COMPANIES TO PURCHASE OUR LEASE.

WE ARE EXCITED ABOUT THE POTENTIAL OF THE LOTSPEICH LEASE. OUR EXPECTATIONS ARE THAT THE WELLS WE WILL DRILL CAN **POTENTIALLY RETURN 100% ROI WITHIN THE FIRST YEAR OF PRODUCTION.**

GEOLOGICAL REPORT

Virginia Lotspeich, et al lease overview and Geologic Study for Prospect in Mitchell County, Texas

Geographic location description

This lease acreage is 1.5 miles southeast of the city of Iatan. This is the western mid-section of Mitchell County. The Virginia Lotspeich 400 acres is depth severed at 3750' and is located in the southwestern part of the Westbrook field which extends north and east for approximately 11 miles and is about 3 miles wide east to west. This part of the field has had active waterflood in the Clear Fork at 2500' to 3250' and is operated by a large independent. Directly west and south is the Iatan East Howard field producing out of the Glorieta which is similar in age and make up as the Clear Fork.

Geologic Setting

The main producing formation for this large over 125 square miles of producing wells is in the Eastern Shelf and for this acreage we will focus on the Clear Fork Group which is Early Permian (Leonardian) age of dolomitic silt/sandstones. Trapping is a combination of structural and stratigraphic mechanisms. Simple and faulted anticlines exist together with interbedded shales and carbonates making up the source rock. The Clear Fork Group is quite thick in this part of the Eastern Shelf with average effective porosity of 7.5% and average horizontal permeability's of 4 mDarcies.

History of Production

The first well the W.H. Abrams #1 drilled in the Westbrook field was drilled in 1920. It is the earliest well in the Permian Basin still producing today. In 1968 the Westbrook field was waterflooded to enhance the ultimate recovery which has added another 67 million barrels to the current 114 million barrels produced to date from the 1177 wells in the field.

The Iatan, East Howard field was discovered in 1926 and the main producing reservoir is the Glorieta which of the same age of deposition as the Clear Fork Group of the Westbrook field but is the younger layer deposited on to the Clear Fork Group. Iatan, East Howard field has produced 180 million barrels of oil to date. It was water flooded in 1959 and is actively flooded today.

the Virginia Lotspeich lease is positioned to be a beneficiary of both waterfloods. The lease was originally drilled by Exxon Corp. in the mid to late 70's and fraced with 15%HCL and 32,000 pounds of 20/40 sand. The Lotspeich lease was plugged out by the Railroad Commission in 1997 prematurely due to the operator at the time having a series of health problems over the course of several years. Then in 1998 we had some of the lowest prices per barrel recorded in 20 years. Gas prospects ruled the day as they soared to some of the highest prices per MCF ever recorded until 2009 the bottom fell out of the gas market from over supply from the unconventional (Shale Plays).

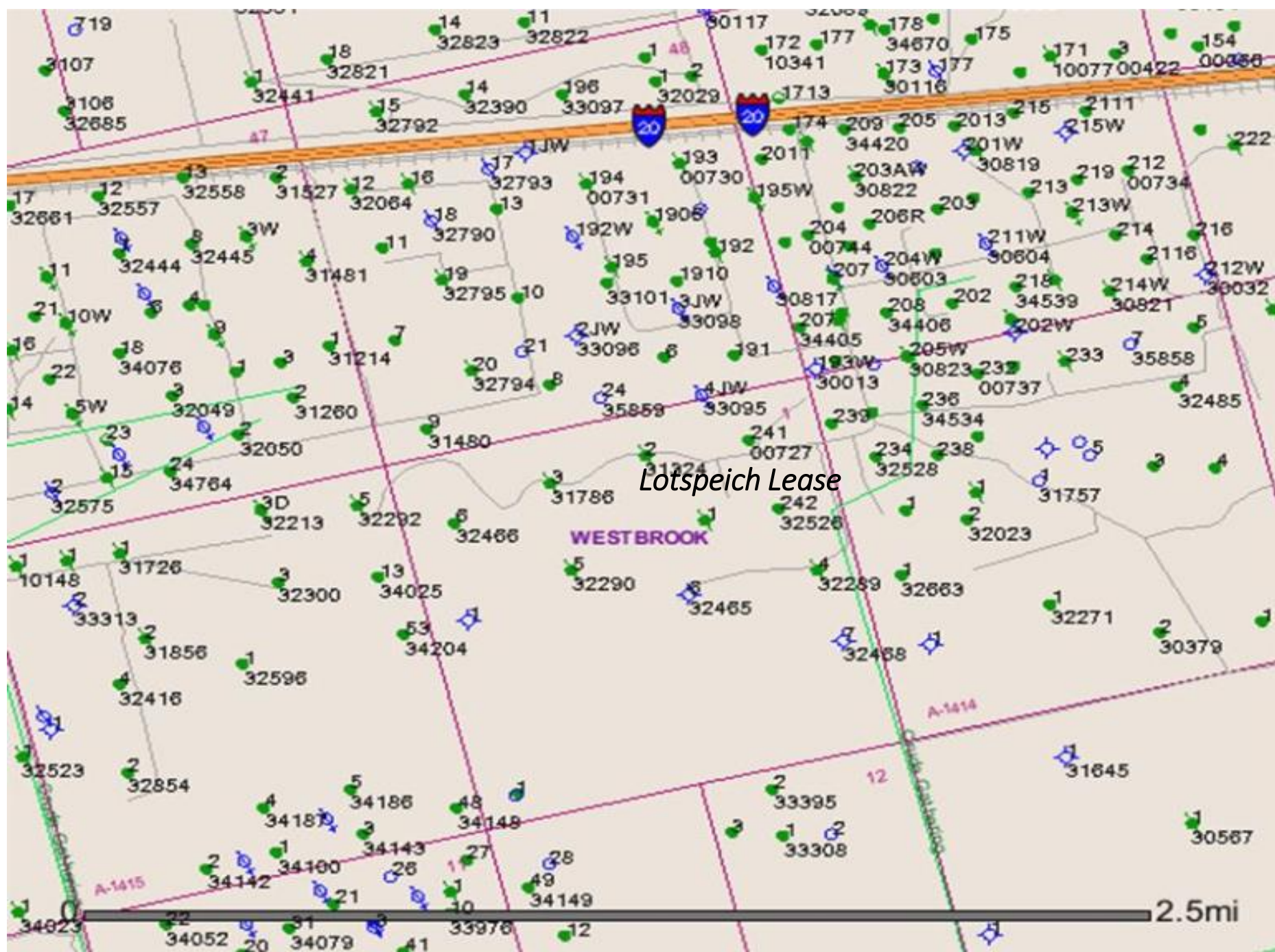
Economic Evaluation and Summary

Currently the frac technology has doubled and tripled individual well production. Old leases that used to sell hundreds of bbls/month are now selling thousands of bbls/month.

The current plan for the Lotspeich lease is to drill selected five spot locations, and then pursue infield drilling the lease to its maximum acreage and spacing allowed by the State.

The Lower Clear Fork was drilled previously on 40 acre spacing. New field rules allows drilling on 20 acre spacing for the Glorieta/Clear Fork formations. I believe the upper San Andres formation which is approximately 800' above the Glorieta/Clear Fork could be the bonus formation to produce with new wells specifically targeting this formation.

Roland R Baker PG#6533



Projected – Annual Return On Investment (ROI)

Estimated Recoverable Barrels of Oil 50-100,000 per well

400 Acres Leased. Twenty acre proration units with 60-100% being productive. This should develop into 12-20 commercially productive wells.

50,000-100,000 = 600,000-1,200,000 Barrels of Oil x \$100 = \$5,000,000-10,000,000 - of Gross Revenue

\$5,000,000-10,000,000 x 56.25% = \$3,375,000-6,750,000 Projected Net Gross to Investors

Costs to Drill and Complete CAMBRIDGE EXPLORATION'S Lotspeich # 1 Well = \$640,000

Estimated Annual Project Return on Investment – ROI 50-100% (depending on well production)

Total Estimated Projected Return on Project 8 to 1 (after tax deductions)+/-

Total Project Costs \$650,000.00 per well

Subscription Agreement

RE: Lotspeich Lease, Mitchell County, Texas

Investors:

The undersigned individual or entity ("the Investor") hereby acknowledges that Cambridge Exploration Inc. is offering for sale interests in the Cambridge's Lotspeich # 1 Well, pursuant to the terms of that certain Confidential Private Placement Memorandum (the Memorandum"), issued December 30, 2013, by the Company. The Investor further acknowledges that this Interest position is being offered at a price of **\$25,000.00** per 1 unit of participation, equivalent to 2.16% Net Revenue Interest position. The Investor also acknowledges that The full **\$25,000.00** is due upon execution of the subscription agreement.

Subscription The Investor hereby subscribes for and agrees to purchase the Interest set forth herein, and tenders this Subscription Agreement with a check or certified funds.

Suitability Being aware that the Investor may participate in this investment only if qualified according to the express standards herein, the Investor hereby represents and warrants that the Investor has financial responsibility, measure by net worth, which is suitable to a proper investment. The Investor further represents and warrants that the Investor has adequate means of providing for current needs and personal contingencies, has no need for liquidity in this investment and satisfies the following criteria:

1. If an Individual, the total investment in the interest position represented hereby (should this subscription be accepted) will not exceed ten percent (10%) of the Investor's net worth, exclusive of home, home furnishings, and automobiles; and
 - a. The investor has a net worth of at least \$225,000, exclusive of home, home furnishings, and automobiles; or
 - b. The investor has a net worth of at least \$60,000 or more, exclusive of home, home furnishings, and automobiles, and has for the last tax year, and estimates that for the current tax year will have, "Taxable Income" (as defined in Section 63 of the Internal Revenue Code of 1986. as amended) of \$60,000 or more.
2. That on a consolidated basis, according to the most recent financial statements, the Investor has a net worth of at least \$200,000; or if a Partnership, that each Partner satisfies the criteria of subparagraph (1) above.

Risks

The Investor acknowledges this investment is not a liquid investment and, in particular, recognizes:

1. The Investor must bear the economic risk of investment in the Interest position for an indefinite period of time, since there is no established market for the Interest position and no market for the Interest position will exist; and
2. The Investor's right to transfer working interest position is restricted by the provisions of the Operating Agreement and applicable securities law

Representations

The Investor hereby represents and warrants to the Company that:

The Investor has received a numbered Memorandum contemporaneous herewith and has carefully reviewed and understands its contents, including the risk of, and other considerations relating to, a purchase of Working Interest position, as set forth under "Risk Factors" in the Memorandum;

The Investor agrees that this Subscription Agreement shall be irrevocable;

The Investor irrevocably adopts the terms and provisions contained in the Memorandum;

4. The Investor and or Purchaser Representative(s) have been furnished with all information and necessary materials relating to the Company, the offering and sale of Interest, and any and all information set forth or referred to in the Memorandum, which have been requested, and the same have been afforded the opportunity to obtain any additional information necessary to verify the accuracy of any and all of the representations and information set forth in the Memorandum;
5. The Company and its Affiliates have answered all inquiries that Investor and or Purchaser Representative(s) have made concerning the Company or any other matters relating to the offering and sale of Interest.
6. The Investor has relied upon the advice of the Investor's own counsel, accountants and or purchaser representative(s) with regard to tax and other considerations involved in making an investment in the Interest;

7. Neither the Investor and or the Purchaser Representative(s) have been furnished any offering literature other than, a summary of information, the Memorandum and the documents attached as exhibits thereto, and the same have relied only upon the information contained in the Memorandum and such exhibits and the information furnished or made available by the Company or its representatives, as described herein;
8. The Investor has, or if the Investor has relied upon or consulted with any purchaser representative, the Investor's purchaser representative and the Investor together have, such knowledge and experience in financial and business matters that the Investor, is or the Investor's purchaser representative and the Investor together are, capable of evaluating the merits and risks or investments in the Interest and of making an informed investment decision;
9. The Investor is acquiring the interest for the Investor's own account, for investment only, and not with a view to the resale or distribution of all or any part of such interest;
10. The information contained in the Purchaser Suitability Questionnaire, which is being submitted to the Company contemporaneously herewith and the information which the Investor has previously furnished to the Company with respect to the Investor's financial position and business experience is correct and complete as of the date of this Subscription Agreement. Further, the Investor shall immediately furnish any such revised or corrected information to the Company;
11. If applicable, the Investor has caused its purchaser representative to complete the Purchaser Representatives Certificate;
12. The Investor shall use this Memorandum only for its own purposes;
13. The Investor shall not reproduce or duplicate or further distribute the Memorandum except to any designated representatives; and

Further Agreement

By the execution of this Subscription Agreement, and subject to acceptance of the minimum total subscription payments as provided in the Memorandum, the Company and the Investor have executed this Subscription Agreement to evidence their mutual agreement that the Investor and the Company will participate in the development and operating of the project under the terms and conditions as described in the Memorandum and in the Operating Agreement (as defined in the Memorandum). By executing this agreement, I empower Cambridge Exploration Inc. or a party designated by Cambridge Exploration Inc., to collect and disburse all revenues due me and to execute the necessary documents which you may deem necessary regarding this venture.

Accordingly, but without limiting any of the foregoing, the Investor and the Company further agree as follows:

Arbitration

Any controversy, claim or dispute concerning the offering, purchase of interest position and operatorship of the prospect, or any claims under this Agreement and offering including claims of default, shall be settled by mandatory non-appeal able binding arbitration pursuant to the Texas Arbitration Act. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Arbitration under this paragraph shall be initiated on or after the expiration of 10 days following notice of any violation of the terms of this Agreement and offering.

Arbitration shall be initiated by written demand given to all Parties hereto for any and all disputes regarding the offering, purchase of interest position and operator ship of the prospect or this Agreement. The Parties agree to jointly select an arbitrator within 10 days of notice and if the Parties are unable to agree to such arbitrator after the period prescribed herein, the Parties will each name its own Arbitrator prior to the expiration of 5 additional days. The Party-Appointed Arbitrators will jointly select a third Arbitrator to act as a neutral Arbitrator on a three-Arbitrator panel.

The Parties further agree to conduct the arbitration in Collin County, Frisco, Texas. The arbitration shall be conducted within 14 days of the expiration of the selection or appointment of the Arbitrator(s). The arbitration will consist of a 1 day hearing with each party allowed 4 hours to present its respective case. The Arbitrators decision shall be final and binding and shall not be subject to appeal. The prevailing party in the arbitration shall be entitled to recover its reasonable and necessary attorney's fees and arbitration costs from the non-prevailing party.

Correctness

The Investor further certifies and covenants that any and all of the foregoing representations and warranties contained herein are true and accurate as of the date hereof and will be true and correct as of the date that the Investor purchases interest, if this subscription is accepted.

Subscription Agreement

The Investor is delivering herewith a check or certified funds made payable to the order of **Cambridge Exploration Inc.** for Cambridge's Lotspeich # 1 Well, for the purchase of _____ units of Interest.

Investor is submitting a check for the amount of \$_____ for his/her funds due upon subscription to the program.

I understand that this application may be accepted or rejected, in whole or in part, at Cambridge's sole discretion. If my application is rejected, I understand that my money will be returned promptly without interest or further obligation on any party. I also agree to keep confidential all information that applies to this project.

I understand that I may change my mind for any reason for up to three (3) days after returning a signed copy of this application to Cambridge Exploration Inc. and will receive a full refund of any funds tendered without interest. Upon reimbursement, all agreements will become null and void and all parties hereto will be released of any further obligations and duties.

I _____, understand and agree to terms and conditions relating to the subscription herein.
(Name of Investor - Printed)

I _____, do hereby execute this subscription agreement for _____ units of participation at the cost
(Signature of Investor)

of \$25,000 per unit in the Cambridge #1 Lotspeich well to be drilled in Section 1, T&P RR Survey, Mitchell County, Texas. Enclosed are my funds/check for \$_____.

PLEASE MAKE CHECKS PAYABLE TO: **Cambridge Exploration Inc.**