

displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|---------|--|-----------------|---|
| | | | | | (A) | (D) | Date Exercisable | Expiration Date | |
| Warrant | \$ 1 | 06/20/2007 | | E | | 100,000 | 06/20/2006 | 06/20/2007 | Common stock \$.04995 par value |
| 2006 Stock Option Plan | \$ 0.64 | 06/15/2007 | | A | 50,000 | | 06/15/2007 | 06/15/2012 | Common stock \$.04995 par value |
| 8% Convertible Debenture | \$ 0.5 | | | | | | 12/18/2006 | 12/18/2008 | Common Stock \$.04995 par value |
| Warrant | \$ 0.6 | | | | | | 12/18/2006 | 12/18/2011 | Common Stock \$.04995 par value |
| Warrant | \$ 1 | | | | | | 12/18/2006 | 12/18/2007 | Common Stock \$.04995 par value |
| 2006 Stock Option Plan | \$ 0.64 | | | | | | 04/06/2006 | 04/06/2011 | Common Stock \$.04995 par value |
| 2006 Stock Option Plan | \$ 0.75 | | | | | | 04/06/2006 | 04/06/2011 | Common Stock \$.04995 par value |
| 8% Convertible Debenture | \$ 0.5 | | | | | | 06/20/2006 | 06/20/2008 | Common Stock \$.04995 par value |
| Warrant | \$ 0.6 | | | | | | 06/20/2006 | 06/20/2011 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| GIFFHORN LOWELL | X | | Chief Financial Officer | |

Signatures

Lowell W.
Giffhorn

09/06/2007

Signature of
Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.