

UNITED ENERGY CORP /NV/

Form S-3

September 13, 2005

As filed with the Securities and Exchange Commission on September 13, 2005

Registration No. 333-\_\_\_\_\_

## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

### FORM S-3

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

## UNITED ENERGY CORP.

(exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction  
of incorporation or organization)

600 Meadowlands Parkway, #20

**1389**

(Primary Standard Industrial  
Classification Code Number)

**22-3342379**

(I.R.S. employer  
Identification No.)

Secaucus, New Jersey

(201) 842-0288

(Address, including zip code, and telephone number, including area code, of registrant's principal offices)

**BRIAN F. KING**

Chief Executive Officer

United Energy Corp.

600 Meadowlands Parkway, #20

Secaucus, New Jersey

(201) 842-0288

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications to:

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W. RAYMOND FELTON, ESQ.

Greenbaum, Rowe, Smith & Davis LLP

Metro Corporate Campus I

Post Office Box 5600

Woodbridge, New Jersey 07095

(732) 549-5600

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

### Calculation of Registration Fee

<b>Title of each Class of Securities to be Registered</b>	<b>Amount to be Registered (1)</b>	<b>Proposed Maximum Offering price per Share (2)</b>	<b>Aggregate Offering Price (2)</b>	<b>Amount of Registration Fee</b>
Common Stock, par value \$.01 per share	12,377,500	\$1.43	\$17,699,825	\$2,083.27

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(1) Includes an indeterminate number of shares of common stock issuable to prevent dilution resulting from stock splits, stock dividends or similar transactions pursuant to Rule 416 under the Securities Act of 1933, as amended (the Securities Act).

(2) The offering price is estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(c) using the average of the high and low price reported by the OTC Bulletin Board for our Common Stock on September 6, 2005, which was approximately \$1.43 per share.

We hereby amend this Registration Statement on such date(s) as may be necessary to delay its effective date until we file a further amendment that specifically states that this Registration Statement will thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. The securities registered hereunder may not be sold until the registration statement containing this prospectus, which has been filed with the U.S. Securities and Exchange Commission (the SEC), is declared effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**SUBJECT TO COMPLETION**

**PRELIMINARY PROSPECTUS**

**United Energy Corp.**

**12,377,500 Shares**

**Common Stock**

This prospectus relates to the resale, from time to time, by the selling stockholders named in this prospectus, of up to 12,377,500 shares of our common stock, consisting of the following: (i) up to 2,000,000 shares of our common stock, 3,360,000 shares of our common stock issuable upon conversion of our preferred stock and 2,680,000 shares of common stock issuable upon the exercise of warrants, that were committed to be purchased (provided certain conditions precedent are met) in the March 2005 private placement; (ii) 37,500 shares of our common stock that were issued to the selling stockholders' counsel as reimbursement for their legal expenses incurred in connection with the March 2005 private placement; (iii) 300,000 shares of our common stock that are issuable upon conversion of a common stock purchase warrant issued in February 2005 in connection with an Amendment and Waiver of certain events of default under a secured convertible term note; (iv) 1,000,000 shares of our common stock that are issuable upon conversion of a common stock purchase warrant issued to a selling stockholder in connection with a consulting services agreement that we entered into with him in April 2005; and (v) 3,000,000 shares of our common stock issuable upon the exercise of warrants that were purchased in the May 2002 private offering.

We will not receive any of the proceeds from the sale of the shares sold pursuant to this prospectus, and we will bear certain of the expenses incident to their registration. The selling stockholders may sell the shares of common stock described in this prospectus in a number of different ways and at varying prices. The price to the public for the shares and the proceeds to the selling stockholders will depend upon the market price of the securities when sold. See **Selling Stockholders** and **Plan of Distribution**.

Our common stock is quoted on the OTC Bulletin Board under the symbol UNRG.OB. On September 6, 2005, the average of the high and low price for our common stock as quoted on the OTC Bulletin Board was \$1.43.

**Investing in common stock involves risk. Before you invest, you should consider carefully the Risk Factors beginning on page 4 of this prospectus.**

Neither the SEC nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is September 13, 2005.

TABLE OF CONTENTS

	<u>Page</u>
<u>Summary Information</u>	3
<u>Risk Factors</u>	4
<u>The Offering</u>	10
<u>Use of Proceeds</u>	10
<u>Selling Stockholders</u>	10
<u>Plan of Distribution</u>	13
<u>Description of Our Common Stock</u>	14
<u>Where You Can Find More Information</u>	15
<u>Information Incorporated by Reference</u>	15
<u>Forward Looking Information</u>	16
<u>Legal Matters</u>	16
<u>Experts</u>	16
<u>Disclosure of Commission Position on Indemnification for Securities Act Liabilities</u>	17

**SUMMARY INFORMATION**

You should read the following summary together with the more detailed information contained elsewhere in this prospectus, including the section entitled **Risk Factors**, regarding our company and the common stock being registered and sold in this offering. Unless the context otherwise requires, we, our, us and similar phrases refer to United Energy Corp., a Nevada corporation.

**CORPORATE INFORMATION**

Our principal executive office is located at 600 Meadowlands Parkway, #20, Secaucus, New Jersey 07094, and our telephone number is (201) 842-0288. We also maintain a regional sales office in Houston, Texas, to service our oil industry customers. Our website is located at www.unitedenergycorp.net. Information on our website is not part of this prospectus.

**THE OFFERING**

Common stock offered by the selling stockholders:

Number of shares of common stock	2,037,500 shares
Number of shares that may be issued upon conversion of preferred stock	3,360,000 shares
Number of shares that may be issued upon exercise of warrants	6,980,000 shares
Total shares offered	12,377,500 shares
Common stock outstanding (1)	24,187,547 shares

(1) As of June 30, 2005.

We will receive none of the proceeds from the sale of the shares by the selling stockholders.

In May 2002, we offered to sell to a limited number of accredited investors up to 60 units at a per unit price of \$100,000. Each unit consisted of 100,000 shares of our common stock and warrants to purchase 50,000 shares of our common stock at an exercise price of \$2.00 per share. Six accredited investors purchased all of the offered units. One of the investors, Martin Rappaport, has been a member of our board of directors since August 2001. Joseph J. Grano, Jr., purchased units in both the May 2002 offering and the March 2005 private placement. The 3,000,000 shares of our common stock that may be issued upon exercise of the warrants sold in May 2002 offering are covered by this prospectus.

Because we failed to pay certain amounts due under a secured convertible term note to Laurus Master Fund, Ltd., a selling stockholder, we entered into an Amendment and Waiver with Laurus on February 28, 2005. Pursuant to this Amendment and Waiver, among other things, we issued a 7 year common stock purchase warrant to Laurus for 300,000 shares of our common stock. These underlying shares are included in this prospectus. Prior to the issuance of this warrant, Laurus beneficially owned more than 5% of our outstanding shares of common stock.

On March 18, 2005, we entered into a securities purchase agreement with 2 private investors to issue shares of our common stock, warrants and shares of a new series of convertible preferred stock. The agreement provides for 2 types of units, designated as Series A and Series B, and for several closings for the sale of up to 20 Series A Units and 42 Series B Units.

The Series A Units, which cost \$80,000 each, consist of 100,000 shares of our common stock and a Series A Warrant to purchase 50,000 shares of our common stock at \$1.00 per share. The Series B Units, which also cost \$80,000 each, consist of 10 shares of a new class of preferred stock that are convertible into 80,000 shares of our common stock in the aggregate, subject to adjustment, and a Series B Warrant to purchase 40,000 shares of our common stock at \$1.50 per share (which has since been amended by mutual agreement of the parties to \$1.00 per share).

On that same date, we closed on the sale of 8 Series A Units, which included 800,000 shares of common stock and Series A Warrants to purchase 400,000 shares of our common stock for an aggregate purchase price of \$640,000. One of the investors, Joseph J. Grano, Jr., prior to the closing of this transaction, beneficially owned more than 5% of our

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outstanding common stock. Including this additional investment and assuming that he purchases his entire share of the units offered pursuant to the 2005 private placement, as of June 30, 2005, he beneficially owns 19.6% of our outstanding shares of common stock.

In connection with this transaction, we agreed to reimburse the investors' legal fees by issuing shares of our common stock. Therefore, in addition to covering all of the shares of common stock that may be issued and the underlying shares of common stock issuable upon exercise of the warrants and conversion of the preferred stock that may be sold pursuant to the March 2005 securities purchase agreement, this prospectus also covers 37,500 shares of common stock issued to the investors' counsel as reimbursement for their expenses.

On August 25, 2005, we closed on the sale of an additional Series A Unit for a purchase price of \$80,000. In connection with the sale of this unit, we entered into an Amendment and Waiver Agreement with the investors providing, among other things, that the investors would waive certain defaults under the securities purchase agreement in exchange for a reduction in the price of the shares issuable upon exercise of the Series B Warrants from \$1.50 to \$1.00 per share.

On April 27, 2005, we entered into a consulting agreement for the provision of certain advisory and business development services. As consideration for these services, we issued warrants to purchase 1,000,000 shares of our common stock. The first 500,000 shares have an exercise price of \$1.34 and the second 500,000 shares have an exercise price of \$2.00 per share. The underlying shares of common stock issuable upon exercise of the warrants are included in this prospectus.

### **RISK FACTORS**

An investment in our common stock involves a high degree of risk. You should carefully consider the following material risks, together with the other information contained in this prospectus, before you decide to buy our common stock. If any of the following risks actually occur, our business, results of operations and financial condition would likely suffer. In these circumstances, the market price of our common stock could decline and you may lose all or part of your investment.

**WE HAVE A CURRENT ACCUMULATED DEFICIT OF \$12.4 MILLION AND IF WE CONTINUE TO INCUR OPERATING LOSSES, WE MAY BE UNABLE TO SUPPORT OUR BUSINESS PLAN, WHICH WILL HAVE A DETRIMENTAL EFFECT ON OUR STOCK.**

We have incurred losses in each of our last two fiscal years. As of March 31, 2005, we had an accumulated deficit of \$12,397,968. If we continue to incur operating losses and fail to become a profitable company, we may be unable to support our business plan, namely to market our KH-30 oil and gas well cleaning products. We incurred net losses of \$1,854,876 and \$2,569,098 in the fiscal years ended March 31, 2005 and 2004, respectively. Our future profitability depends in large part on our ability to market and support our KH-30 oil and gas well cleaners. We cannot assure you that we will achieve or sustain significant sales or profitability in the future. This would have a detrimental effect on the long term capital appreciation of our stock.

**THERE ARE SIGNIFICANT OBSTACLES TO ENTERING THE OIL AND GAS PRODUCING INDUSTRY THAT HAVE CONTRIBUTED TO THE SLOW PACE AT WHICH OUR KH-30 PRODUCTS ARE BEING INTRODUCED TO THE MARKET, MAKING OUR PROSPECTS LESS CERTAIN.**

Our business plan is focused largely on marketing efforts for KH-30. Although we believe that the application of KH-30 oil and gas well cleaning products on a continuous basis will result in higher production and lower power lease operating costs, the introduction of KH-30 into the oil and gas producing industry has been extremely difficult. Many entrenched players such as the "hot oilers" and the major oil service companies that benefit from high markups on their proprietary products have no incentive to promote the use of KH-30. Moreover, oil production engineers are extremely reluctant to risk damage to a well from a product that does not have the endorsement of a major enterprise. Consequently, the pace of introduction of KH-30 has been much slower than we initially anticipated. If we and our KH-30 marketing partners are unable to successfully achieve market acceptance for KH-30, our future results of operations and financial condition will be adversely affected, making our prospects less certain.

IF WE ARE UNABLE TO IMPROVE SALES OF UNIPROOF, WE MAY NOT BE ABLE TO GENERATE SUBSTANTIAL REVENUES OR ACHIEVE PROFITABILITY, WHICH WOULD SERIOUSLY IMPAIR OUR ABILITY TO MARKET KH-30.

Our success to date has been substantially dependent on sales of our Uniproof proofing paper. Sales of Uniproof accounted for approximately 30% and 46% of revenues for the fiscal years ended March 31, 2005 and 2004, respectively. Our business plan is to use the cash flow from these sales to support worldwide marketing efforts for our KH-30 oil and gas well cleaning products and, to a lesser extent, to promote our other specialty chemicals. The decline in the United States economy severely impacted the level of proofing paper sales. The depressed economy resulted in a drop in the number of advertising pages in publications, one of the main markets in which Uniproof is used. If we are unable to generate significant revenue from this product, or fail to develop significant revenue from other products in its stead, our business plan and financial condition will be severely affected.

THE SUCCESS OF OUR KH-30 PRODUCTS WILL BE HIGHLY DEPENDENT UPON THE LEVEL OF ACTIVITY AND EXPENDITURES IN THE OIL AND NATURAL GAS INDUSTRIES AND A DECREASE IN THE LEVELS THEREOF WOULD, IN ALL LIKELIHOOD, ADVERSELY IMPACT SALES OF KH-30.

We anticipate that demand for our oil and gas cleaning product will depend on the levels of activity and expenditures in the industry, which are directly affected by trends in oil and natural gas prices. We anticipate that demand for KH-30 will be particularly sensitive to the level of development, production and exploration activity of, and corresponding capital spending by, oil and natural gas companies. Prices for oil and gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty, political stability and a variety of other factors that are beyond our control. Any prolonged reduction in oil and natural gas prices will depress the level of exploration, and development and production activity. Lower levels of activity are expected to result in a corresponding decline in the demand for our oil and gas well products, which could have an adverse impact on our prospects, results of operations and financial condition. Factors affecting the prices of oil and natural gas include:

- worldwide political, military and economic conditions, including the ability of OPEC (the Organization of Petroleum Exporting Countries) to set and maintain production levels and prices for oil and gas;
- overall levels of global economic growth and activity;
- global weather conditions;
- the level of production by non-OPEC countries;
- the policies of governments regarding the exploration for and production and development of their oil and natural gas reserves;
- and
- actual and perceived changes in the supply of and demand for oil and natural gas.

IF OUR STRATEGIC PARTNERS DO NOT EFFECTIVELY MARKET OUR PRODUCTS, WE WILL NOT GENERATE SIGNIFICANT SALES OR PROFITS AND WE DO NOT CURRENTLY HAVE THE INTERNAL RESOURCES TO MARKET OUR PRODUCTS DIRECTLY.

We utilize third parties to assist in marketing, selling and distributing our products. We believe that the establishment of a network of third party strategic partners, particularly abroad, with extensive and specific knowledge of the various applications in the oil and gas industry and printing market is important for us to succeed in these sectors. We cannot assure you that our current or future strategic partners will purchase our products at sufficient levels or provide us with adequate support. If one or more of our partners underperforms or if any of our strategic relationships are terminated or otherwise disrupted, our operating performance, results of operations and financial condition will be adversely affected.



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WE DEPEND ON A SMALL NUMBER OF CUSTOMERS FOR A SUBSTANTIAL PORTION OF OUR REVENUES, BUT WE HAVE NO LONG TERM CONTRACTS OR BINDING PURCHASE COMMITMENTS FROM THESE CUSTOMERS.

We currently have a limited number of recurring customers for our products, none of whom have entered into long term contracts or binding purchase commitments with us. A significant portion of our revenue is earned in connection with sales of Uniproof proofing papers to the Alameda Company of Anaheim, California. During the fiscal years ended March 31, 2005 and 2004, sales attributable to Alameda represented approximately 30% and 46%, respectively, of our total revenues. Revenue from Alameda is expected to continue to decline as a percentage of our total revenues. A decision by Alameda to discontinue its relationship with us could result in a significant loss of revenue to us. Indeed, our three largest customers accounted for 72% of our revenues for the year ended March 31, 2005.

WE RELY ON THIRD PARTIES FOR THE RAW MATERIALS NECESSARY TO MAKE OUR PRODUCTS, LEAVING US POTENTIALLY VULNERABLE TO SUBSTANTIAL COST INCREASES AND DELAYS.

All of the raw materials necessary for the manufacture of our products are generally available from multiple sources, although we have negotiated favorable arrangements with our current suppliers. If one or more of our current suppliers were no longer able to supply the raw materials that we need, we would be required to negotiate arrangements with alternate suppliers, which would likely include some cost or delay and could be substantial. In addition, no assurance can be given that any alternative arrangements that we secure would be on terms as favorable as our current arrangements.

WE DEPEND ON INDEPENDENT MANUFACTURERS OF OUR PRODUCTS; ANY PROLONGED INTERRUPTION IN THEIR BUSINESS COULD CAUSE US TO LOSE OUR CUSTOMERS.

We do not own any manufacturing facilities. Our chemical products are generally manufactured by contract blenders at a number of different facilities. Chemical blenders are relatively easy to replace. The photosensitive coating for our Uniproof product is applied by one independent coater. While we believe these facilities have the capacity to meet our current production needs and also meet applicable environmental regulations, we cannot be certain that these facilities will continue to meet our needs or continue to comply with environmental laws. In addition, these facilities are subject to certain risks of damage, including fire, that would disrupt production of our products. To the extent we are forced to find alternate facilities, it would likely involve delays in manufacturing and potentially significant costs.

The chemical blender and independent coater that manufactures our products are bound by confidentiality agreements that obligate them not to disclose or use our proprietary information. A breach of one or more of these agreements could have a detrimental effect on our business and prospects.

ENVIRONMENTAL PROBLEMS AND LIABILITIES COULD ARISE AND BE COSTLY FOR US TO CLEAN UP.

We are subject to various foreign, federal, state and local laws and regulations relating to the protection of the environment, including the Industrial Site Recovery Act, a New Jersey statute requiring clearance by the state prior to the sale of any industrial facility. These laws provide for retroactive strict liability for damages to natural resources or threats to public health and safety, rendering a party liable without regard to its negligence or fault. Sanctions for non-compliance may include revocation of permits, corrective action orders, and administrative or civil penalties or even criminal prosecution. We have not, to date, incurred any serious liabilities under environmental regulations and believe that we are in substantial compliance therewith. Nevertheless, we cannot be certain that we will not encounter environmental problems or incur environmental liabilities in the future that could adversely affect our business.

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BECAUSE WE ARE SMALLER AND HAVE FEWER FINANCIAL AND MARKETING RESOURCES THAN MANY OF OUR COMPETITORS, WE MAY NOT BE ABLE TO SUCCESSFULLY COMPETE IN THE EXTREMELY COMPETITIVE SPECIALTY CHEMICAL AND PRINTING INDUSTRIES.

We compete directly or indirectly with other producers of specialty chemical products, most of which are or have aligned themselves with more established companies, have greater brand recognition and greater financial and marketing resources. Generally, we attempt to compete by offering what we hope to be lower prices and better service. However, the prices for our KH-30 and related line of cleaners are higher than competing products; therefore, we attempt to compete by emphasizing product effectiveness and environmental safety.

We also believe that our efforts to patent the KH-30 oil well cleaner in the principal oil producing countries worldwide will improve our competitive position in this market. However, we are aware that other companies may try to imitate our products or invalidate our patents. In the past we have vigorously enforced our trade secrets and other intellectual property, and intend to continue to do so in the future. We recognize that we may incur significant costs to defend our intellectual property and that intellectual property rights provide less than complete protection.

For our Uniproof product, our principal competitor is E.I. duPont de Nemours & Co., which controls in excess of 95% of the domestic proofing paper market (estimated at \$80 million to \$100 million per year). DuPont has a longer operating history, significantly larger customer base, greater brand recognition and greater financial, marketing and other resources.

WE MAY NOT BE ABLE TO RETAIN OUR EXECUTIVE OFFICERS WHO WE NEED TO SUCCEED, AND ADDITIONAL QUALIFIED PERSONNEL ARE EXTREMELY DIFFICULT TO ATTRACT.

Our performance depends, to a significant extent, upon the efforts and abilities of our executive officers. We do not have employment agreements with certain of our executive officers and do not maintain any keyman insurance on their lives for our benefit. The loss of the services of our executive officers could have a serious and adverse effect on our business, financial condition and results of operations. Our success will also depend upon our ability to recruit and retain additional qualified senior management personnel. Competition is intense for highly skilled personnel in our industry and, accordingly, no assurance can be given that we will be able to hire or retain sufficient personnel.

OUR MANAGEMENT OWNS A SUBSTANTIAL AMOUNT OF OUR STOCK AND IS CAPABLE OF INFLUENCING OUR BUSINESS AND AFFAIRS.

Our directors and executive officers beneficially own approximately 30.8% of our outstanding common stock. As such, they will be able to significantly influence the election of the members of our board of directors and the outcome of corporate actions that require shareholder approval, such as mergers and acquisitions. This level of ownership, together with particular provisions of our articles of incorporation, bylaws and Nevada law, may have a significant effect in delaying, deferring or preventing any change in control and may adversely affect the voting and other rights of our other shareholders.

IF WE CANNOT PROTECT OUR PROPRIETARY RIGHTS AND TRADE SECRETS OR IF WE WERE FOUND TO BE INFRINGING ON THE PROPRIETARY RIGHTS OF OTHERS, OUR BUSINESS WOULD BE SUBSTANTIALLY HARMED.

Our success depends in large part on our ability to protect the proprietary nature of our products, preserve our trade secrets and operate without infringing the proprietary rights of third parties. If other companies obtain and copy our technology or claim that we are making unauthorized use of their proprietary technology, we may become involved in lengthy and costly disputes. If we are found to be infringing on the proprietary rights of others, we could be required to seek licenses to use the necessary technology. We cannot assure you that we could obtain these licenses on acceptable terms, if at all. In addition, the laws of some foreign countries may not provide adequate protection for our proprietary technology.

To protect our intellectual property, we seek patents and enter into confidentiality agreements with our employees, manufacturers and marketing and distribution partners. We cannot assure you that our patent

applications will result in the successful issuance of patents or that any issued patents will provide significant protection for our technology and products. In addition, we cannot assure you that other companies will not independently develop competing technologies that are not covered by our patents. There is also no assurance that confidentiality agreements will provide adequate protection of our trade secrets, knowhow or other proprietary information. Any unauthorized disclosure and use of our proprietary technology, whether in breach of an agreement or not, could have an adverse effect on our business, prospects, results of operations and financial condition.

THE PUBLIC MARKET FOR OUR COMMON STOCK HAS BEEN CHARACTERIZED BY A LOW VOLUME OF TRADING AND OUR STOCKHOLDERS MAY NOT BE ABLE TO RESELL THEIR SHARES AT OR ABOVE THE PRICE AT WHICH THEY PURCHASED THEIR SHARES, IF AT ALL.

Historically, the volume of trading in our common stock has been low. A more active public market for our common stock may not develop or, even if it does in fact develop, may not be sustainable. The market price of our common stock may fluctuate significantly in response to factors, some of which are beyond our control. These factors include:

product liability claims and other litigation;  
the announcement of new products or product enhancements by us or our competitors;  
developments concerning intellectual property rights and regulatory approvals;  
quarterly variations in our competitors' results of operations;  
developments in our industry; and

general market conditions and other factors, including factors unrelated to our own operating performance.

Recently, the stock market in general has experienced extreme price and volume fluctuations. In particular, market prices of securities of specialty chemical products companies have experienced fluctuations that are often unrelated to or disproportionate from the operating results of these companies. Continued market fluctuations could result in extreme volatility in the price of shares of our common stock, which could cause a decline in the value of our shares. Price volatility may be worse if the trading volume of our common stock is low.

**OUR COMMON STOCK IS CONSIDERED A PENNY STOCK AND MAY BE DIFFICULT TO SELL WHEN DESIRED.**

The SEC has adopted regulations that define a penny stock, generally, to be an equity security that has a market price of less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to specific exemptions. The market price of our common stock has been less than \$5.00 per share. This designation requires any broker or dealer selling our securities to disclose certain information concerning the transaction, obtain a written agreement from the purchaser and determine that the purchaser is reasonably suitable to purchase the securities. These rules may restrict the ability of brokers or dealers to sell our common stock and may affect the ability of stockholders to sell their shares. In addition, since our common stock is currently quoted on the OTC Bulletin Board, stockholders may find it difficult to obtain accurate quotations of our common stock, may experience a lack of buyers to purchase our shares or a lack of market makers to support the stock price.

**A SIGNIFICANT NUMBER OF OUR SHARES ARE ELIGIBLE FOR SALE AND THEIR SALE OR POTENTIAL SALE WILL PROBABLY DEPRESS THE MARKET PRICE OF OUR STOCK.**

Sales of a significant number of shares of our common stock in the public market could harm the market price of our common stock. As additional shares become available for resale in the public market pursuant to this registration statement, the supply of our common stock will increase, which could decrease its price. Some or all of the shares of our common stock may also be offered from time to time in the open market without registration pursuant to Rule 144, and these sales could have a depressive effect on the market for our common stock. In general, a person who has held restricted shares for a period of one year may, upon the filing of a notification on Form 144 with the SEC, sell common stock in an amount equal to the greater of 1% of the outstanding shares or the average weekly number of shares sold in the prior one week period. These sales may be repeated once during each 3 month period. In addition, any person that is not an affiliate of ours may sell all of his, hers or its restricted shares after the shares have been held for 2 years or more pursuant to Rule 144(k).

**WE DO NOT ANTICIPATE PAYING DIVIDENDS ON OUR COMMON STOCK IN THE FORESEEABLE FUTURE; THEREFORE, YOU SHOULD NOT BUY THIS STOCK IF YOU WISH TO RECEIVE CASH DIVIDENDS.**

We currently intend to retain our future earnings in order to support operations and finance expansion; therefore, we do not anticipate paying any cash dividends on our common stock in the foreseeable future.

## THE OFFERING

Shares of Common Stock Offered	12,377,500 shares of common stock
Use of Proceeds	We do not own any of the shares being offered hereby; therefore, we will not receive any cash proceeds from the sale of the shares.
OTC Bulletin Board	UNRG.OB

## USE OF PROCEEDS

We do not own any of the shares offered hereby. The selling stockholders will receive all of the proceeds from the sale of shares covered by this prospectus. We will receive none of the proceeds from the sale of the shares by the selling stockholders. If all of the outstanding common stock purchase warrants are exercised in full, we will receive \$10,800,000, which will be used for working capital and for general corporate purposes. Also, we will receive the proceeds from any additional sales of units under the securities purchase agreement entered into on March 18, 2005. If all of the remaining units are sold, we will receive an additional \$4,240,000. The proceeds from any additional sales of units would also be used for working capital and for general corporate purposes.

## SELLING STOCKHOLDERS

We are registering a total of 12,377,500 shares of our common stock, pursuant to the requirements of (i) a Securities Purchase Agreement and Registration Rights Agreement that we entered into with certain of the selling stockholders on March 18, 2005; (ii) an Amendment and Waiver that we entered into with Laurus Master Fund, Ltd., on February 28, 2005; (iii) a Consulting Services Agreement that we entered into with, and a common stock purchase warrant we issued to, Ben Barnes on April 27, 2005; and (iv) a private offering we completed in May 2002. Except for Martin Rappaport, a member of our board of directors and a participant in the May 2002 offering, none of the selling stockholders listed below has ever held any position or office with us. UNRG Investments, LLC, one of the selling stockholders listed below, beneficially owns more than 5% of our outstanding common stock. Each of Joseph J. Grano, Jr., and Laurus Master Fund, Ltd., excluding the shares covered by this prospectus, beneficially owns more than 5% of our outstanding common stock. Joseph J. Grano, Jr., participated in both the May 2002 offering and the March 2005 private placement. Ben Barnes provides advisory and business development services to us pursuant to the Consulting Services Agreement.

In May 2002, pursuant to a limited private offering, we sold 60 units to 6 private investors for a total purchase price of \$6,000,000. Each unit sold in that private offering consisted of 100,000 shares of our common stock and a warrant to purchase 50,000 shares of our common stock. Each warrant purchased thereunder is exercisable in whole or in part, at an exercise price of \$2.00 per share, subject to adjustment, for 5 years from the date of issuance. We may redeem the warrants sold in the May 2002 offering for \$0.01 per warrant at any time after 2 years from the close of the offering on 30 days notice, provided that the sale price of our common stock has been at least 200% of the exercise price of the warrants for the 20 trading days ending on the third day prior to the date that notice is provided. The 3,000,000 shares of our common stock that may be issued upon exercise of the warrants sold in the May 2002 offering are covered by this prospectus.

On February 28, 2005, we entered into an Amendment and Waiver with Laurus Master Fund, Ltd., for the purpose of amending the terms of (i) the Securities Purchase Agreement dated March 24, 2004; (ii) the Secured Convertible Term Note; and (iii) the Registration Rights Agreement.

Laurus waived each payment default that may have arisen under the Term Note, and we (i) paid to Laurus the interest accrued under the Term Note as of February 28, 2005, (ii) prepaid interest under the Term Note in an amount equal to \$37,767, and (iii) issued a 7 year warrant to Laurus to purchase 300,000 shares of our common stock with an exercise price of (x) \$1.25 per share for the first 100,000 shares, (y) a price of \$1.50 per share for the next 100,000 shares and (z) \$1.75 per share for any additional shares acquired. The shares issuable upon exercise of this warrant are covered by this prospectus.

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On March 18, 2005, we entered into a Securities Purchase Agreement with two private investors to issue shares of our common stock, warrants and a new series of convertible preferred stock. The agreement provides for two types of units, designated as Series A and Series B, and for several closings.

The Series A Units each consist of 100,000 shares of our common stock and a Series A Warrant to purchase 50,000 shares of our common stock at \$1.00 per share. The Series A Warrants expire 5 years from the date they are issued. The purchase price for each Series A Unit is \$80,000. The securities purchase agreement provides for the sale of up to 20 Series A Units.

The Series B Units each consist of 10 shares of a new class of preferred stock that are convertible into 80,000 shares of our common stock in the aggregate, subject to adjustment, and a Series B Warrant to purchase 40,000 shares of our common stock at \$1.50 per share (which has since been amended by mutual agreement to \$1.00 per share). The Series B Warrants expire 5 years from the date they are issued. The purchase price for each Series B Unit is \$80,000. The Securities Purchase Agreement provides for the sale of up to 42 Series B Units.

On that same date, we closed on the sale of 8 Series A Units, which included 800,000 shares of common stock and Series A Warrants to purchase 400,000 shares of our common stock, for an aggregate purchase price of \$640,000. The proceeds from this sale are to be used for working capital and for general corporate purposes.

Subsequent closings under the Securities Purchase Agreement are contingent upon our receipt of purchase orders from our customers, at the rate of one unit for each \$100,000 of such orders. The 12 remaining Series A Units will be purchased first, followed by the Series B Units. The obligation of the investors to purchase additional units expires on March 17, 2006. All of the shares of common stock, shares issuable upon exercise of the warrants and shares issuable upon conversion of the preferred stock are covered by this prospectus, as well as shares of common stock that we issued to the investors' legal counsel as reimbursement for expenses incurred by the investors in connection with the Securities Purchase Agreement.

On August 25, 2005, we closed on the sale of an additional Series A Unit for a purchase price of \$80,000. In connection with the sale of this unit, we entered into an Amendment and Waiver Agreement with the investors providing, among other things, that the investors would waive certain defaults under the Securities Purchase Agreement in exchange for a reduction in the price of the shares issuable upon exercise of the Series B Warrants from \$1.50 to \$1.00 per share.

On April 27, 2005, we entered into a Consulting Services Agreement for the provision of certain advisory and business development services with Ben Barnes. As consideration for his services, we issued warrants to purchase 500,000 shares of our common stock at an exercise price of \$1.34. We also issued warrants to purchase an additional 500,000 shares of our common stock at an exercise price of \$2.00 per share. The warrants are fully exercisable for 10 years. The initial 100,000 warrants vest immediately. The remainder of the warrants will vest, if it all, in increments of 100,000 warrants for each \$5,000,000 of net revenues recognized as a result of business generated through contacts that the consultant brings to us. All of the shares of our common stock that may be issued upon exercise of the warrants issued in connection with the Consulting Services Agreement are covered by this prospectus.

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The following table sets forth information regarding the shares being registered hereunder, as of June 30, 2005, with respect to the shares held by the selling stockholders. The number of shares of common stock offered for resale by this prospectus by the selling stockholders was determined by the terms of our agreements with such selling stockholders.

<u>Name of Selling Stockholder</u>	<u>Shares of Common Stock Owned Prior to Offering (1)</u>	<u>Number of Shares to be Offered for Sale (2)</u>	<u>Number of Shares of Common Stock Owned after Offering (2)</u>	<u>Percentage of Class After Offering</u>
Joseph J. Grano, Jr. Sherleigh Associates Inc.	4,746,667(3)	3,180,000	1,566,667	6.5%
Profit Sharing Plan Laurus Master Fund, Ltd.	6,188,000(4)	5,360,000	828,000	3.4%
Ben Barnes	1,454,200(5)	300,000	1,154,200	4.7%
Peter Silverman, Esq.	1,000,000(6)	1,000,000	0	
John Shin, Esq.	70,000(7)(8)	22,500	47,500	< 1%
Alan Sclar, Esq.	7,500(7)	7,500	0	
Michael Byrne, Esq.	5,625(7)	5,625	0	
John Holmgren UNRG	1,875(7)	1,875	0	
Investments, LLC	500,000(9)	500,000	0	
Martin Rappaport	1,500,000 (10)	500,000	1,000,000	4.1%
James MacGilvray	3,020,100 (11)	750,000	2,270,100	9.4%
LSR Capital	750,000 (12)	250,000	500,000	2.1%
TOTAL	500,000 (13)	500,000	0	
	20,031,967	12,377,500	7,654,467	

- (1) Except as otherwise indicated, the number of shares beneficially owned is determined under rules promulgated by the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Each selling stockholder has sole voting power and investment power with respect to all shares of common stock listed as owned by that selling stockholder.
- (2) We do not know when or in what amounts the selling stockholders will offer shares for sale, if at all. The selling stockholders may sell any or all of the shares included in and offered by this prospectus and any shares that may be sold pursuant to Rule 144 under the Securities Act. Because the selling stockholders may offer all or some of the shares pursuant to this offering, we cannot estimate the number of the shares that will be held by the selling stockholders after completion of the offering. However, for purposes of this table, we have assumed that, after completion of the offering, none of the shares included in and covered by this prospectus will be held by the selling stockholders, but the shares they own that are not covered by this prospectus will be retained.
- (3) Represents 1,000,000 shares of common stock, warrants to purchase 366,667 shares of common stock and warrants to acquire 200,000 shares of common stock, which were acquired in May 2002; and 666,667 shares of common stock, 1,120,000 shares of common stock issuable upon conversion of the preferred stock and warrants to acquire 1,393,333 shares of common stock, which are covered by this prospectus.
- (4) Represents 2,161,133 shares of common stock, 2,240,000 shares of common stock issuable upon conversion of the preferred stock and warrants to purchase 1,786,667 shares of common stock, which are covered by this prospectus.
- (5) Represents 854,200 shares that may be acquired immediately upon conversion of an outstanding secured convertible term note at a conversion price of \$0.80 per share and 300,000 shares that may be purchased immediately upon exercise of an outstanding common stock purchase warrant at an average exercise price of \$1.50 per share, which were previously acquired; also represents 300,000 shares covered by this prospectus that may be purchased immediately upon exercise of an outstanding common stock purchase warrant at an average exercise price of \$1.50 per share.
- (6) Represents warrants to purchase 1,000,000 shares of common stock at an exercise price of \$1.34 per share for the first 500,000 shares and \$2.00 per share for the second 500,000 shares, which are covered by this prospectus.

- (7) Other than 21,700 shares of common stock owned by Silverman Sclar Shin & Byrne PLLC Pension Plan and 25,800 shares of common stock owned by Mr. Silverman's spouse, represents shares issued to the legal counsel for the investors under the March 18, 2005 Securities Purchase Agreement as reimbursement for expenses incurred by the investors.
- (8) Represents 22,500 shares of common stock owned by Mr. Silverman that are covered by this prospectus, 21,700 shares that are owned by Silverman Sclar Shin & Byrne PLLC Pension Plan and 25,800 shares of common stock that are owned by Mr. Silverman's spouse.
- (9) Represents warrants to purchase 500,000 shares of common stock at an exercise price of \$2.00 per share that are covered by this prospectus.
- (10) Represents (i) 1,000,000 shares of common stock and (ii) warrants to purchase 500,000 shares of common stock at an exercise price of \$2.00 per share that are covered by this prospectus.
- (11) Represents (i) stock options to purchase 10,000 shares at an exercise price of \$0.70 per share and 10,000 shares at an exercise price of \$1.80 per share, which are currently exercisable; (ii) stock options to purchase 50,000 shares at an exercise price of \$1.11 per share; and (iii) warrants to purchase 750,000 shares of common stock at an exercise price of \$2.00 per share that are covered by this prospectus.
- (12) Represents (i) 500,000 shares of common stock and (ii) warrants to purchase 250,000 shares of common stock at an exercise price of \$2.00 per share that are covered by this prospectus.
- (13) Represents warrants to purchase 500,000 shares of common stock at an exercise price of \$2.00 per share that are covered by this prospectus.

#### PLAN OF DISTRIBUTION

The selling stockholders and any of their pledgees, donees, assignees and successors-in-interest may, from time to time, sell any or all of their shares of common stock on any stock exchange, market or trading facility on which the shares are traded or in private transactions. These sales may be at fixed or negotiated prices. The selling stockholders may use any one or more of the following methods when selling their shares:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits investors;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales (other than short sales established prior to the effectiveness of the registration statement to which this prospectus is a part);
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholders may also sell shares pursuant to Rule 144 under the Securities Act, if available, rather than under this prospectus.

Broker-dealers engaged by the selling stockholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholders (or, if any broker-dealer acts as agent for the purchaser of the shares, from the purchaser) in amounts to be negotiated. The selling stockholders do not expect these commissions and discounts to exceed what is customary in the types of transactions involved.



The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the shares owned by them (including shares issued upon exercise of the warrants) and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell shares of common stock from time to time under this prospectus, or under an amendment to this prospectus under Rule 424(b)(3), or other applicable provision of the Securities Act, amending the list of selling stockholders to include the pledgee, transferee or other successors-in-interest as a selling stockholder under this prospectus.

Upon our receipt of written notice from a selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of common stock through a block trade, special offering, exchange distribution, secondary distribution or a purchase by a broker or dealer, a supplement to this prospectus will be filed, if required, pursuant to Rule 424(b) under the Securities Act, disclosing (i) the name of each such selling stockholder and of the participating broker-dealer(s), (ii) the number of shares involved, (iii) the price at which such shares of common stock were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealer(s), if applicable, (v) that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and (vi) any other material facts regarding the transaction. In addition, upon our receipt of written notice from a selling stockholder that a donee or pledgee intends to sell more than 500 shares of our common stock, a supplement to this prospectus will be filed, if required, in accordance with applicable securities law.

The selling stockholders also may transfer the shares of common stock in other circumstances, in which case the transferees, pledgees or other successors-in-interest will be the selling beneficial owners for purposes of this prospectus.

The selling stockholders and any broker-dealers or agents that are involved in selling the shares may be deemed to be underwriters within the meaning of the Securities Act in connection with those sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. Discounts, concessions, commissions and similar selling expenses, if any, that can be attributed to the sale of securities will be paid by the selling stockholder and/or the purchasers. Each selling stockholder has represented and warranted to us that it does not have any agreement or understanding, directly or indirectly, with any person to distribute the common stock.

We are required to pay certain fees and expenses incident to the registration of the shares, but we will not receive any proceeds from the sale of the common stock. The Company has agreed to indemnify the selling stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act. If the selling stockholders use this prospectus for any sale of our common stock, they will be subject to the prospectus delivery requirements of the Securities Act.

## **DESCRIPTION OF OUR COMMON STOCK**

As of June 30, 2005, there were approximately 24,187,547 shares of our common stock issued and outstanding. We are a Nevada corporation and are authorized to issue 100 million shares of common stock, par value \$0.01 per share.

### **COMMON STOCK**

Each share of common stock has 1 vote on all matters presented to the stockholders, except at elections of directors each stockholder is entitled to as many votes as equals the number of shares of his or her stock multiplied by the number of directors to be elected. In director elections, a stockholder may cast all of his or her votes for a single director or distribute his or her votes among the director nominees as he or she sees fit.

The holders of our common stock are entitled to receive dividends when, as and if declared by the board of directors out of funds legally available therefore. In the event of our liquidation, dissolution or winding up, the holders of our common stock are entitled to share ratably in all assets remaining available for distribution to

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them after payment of liabilities and after provision for claims against us. Holders of shares of our common stock, as such, have no conversion, preemptive or other subscription rights, and there are no redemption provisions applicable to the common stock. All of the outstanding shares of common stock and the shares of common stock offered hereby, when issued against payment of the consideration set forth in this prospectus, are fully paid and non-assessable.

The registrar and transfer agent for our common stock is Interstate Transfer Company, 6084 South 900 East, Suite 101, Salt Lake City, Utah 84121.

### ANTI-TAKEOVER PROVISIONS

Pursuant to our articles of incorporation, our board of directors may issue additional shares of common stock. Any additional issuance of common stock could have the effect of impeding or discouraging the acquisition of control of us by means of a merger, tender offer, proxy contest or otherwise, including a transaction in which our stockholders would receive a premium over the market price for their shares, and thereby protects the continuity of our management. Specifically, if in the due exercise of its fiduciary obligations, the board of directors were to determine that a takeover proposal was not in our best interest, shares could be issued by our board of directors without stockholder approval in one or more transactions that might prevent or render more difficult or costly the completion of the takeover by:

- diluting the voting or other rights of the proposed acquirer or insurgent stockholder group;
- putting a substantial voting block in institutional or other hands that might undertake to support the incumbent board of directors; or
- effecting an acquisition that might complicate or preclude the takeover.

### WHERE YOU CAN FIND MORE INFORMATION

This prospectus is part of a registration statement on Form S-3, which we filed with the SEC under the Securities Act using a shelf registration process. As permitted by SEC rules, this prospectus does not contain all of the information included in the registration statement and the accompanying exhibits filed with the SEC. You may refer to the registration statement and its exhibits for more information.

We are subject to and comply with the informational reporting requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act). You may read and copy any document that we file with the SEC at the SEC's public reference room at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549 or at its regional offices at: 233 Broadway, New York, New York 10279 or 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. You may obtain further information about the operation of the SEC's public reference room by calling the SEC at 1-800-SEC-0330. Our filings are also available to the public over the Internet at the SEC's website <http://www.sec.gov>.

### INFORMATION INCORPORATED BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus the information we file with the SEC. This means that we may disclose important information to you by referring you to those documents. The information we incorporate by reference is considered to be part of this prospectus. If we subsequently file superseding or updating information with the SEC in a document that is incorporated by reference into this prospectus, the updated information will also become a part of this prospectus and will supersede any earlier information.

We are incorporating by reference into this prospectus the following documents that we previously filed with the SEC:

- Our Annual Report on Form 10-KSB for the fiscal year ended March 31, 2005.
- Our Current Reports on Form 8-K dated June 3, 2005, April 12, 2005 and March 23, 2005 (except for information furnished under Item 9 or Item 12 of Form 8-K, which is not deemed filed and not incorporated by reference herein).

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We are also incorporating by reference into this prospectus all documents that we subsequently file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus and prior to the termination of this offering, except for information furnished under Item 9 or Item 12 of Form 8-K, which is not deemed filed and not incorporated by reference herein. Any statements made in this prospectus or in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

You may obtain copies of any of our filings that are incorporated by reference, at no cost, by contacting us at the following address or telephone number:

**United Energy Corp.**

**600 Meadowlands Parkway, #20**

**Secaucus, New Jersey 07094**

**Attention: Brian F. King**

**Chief Executive Officer**

**(201) 842-0288**

In order to ensure timely delivery of the documents, your request should be made no later than 5 business days prior to the date on which you will make your final investment decision.

### **FORWARD LOOKING INFORMATION**

All statements included or incorporated by reference in this prospectus, other than statements of historical facts, that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future are forward looking statements. Such statements are typically characterized by terminology such as believe, anticipate, should, intend, plan, will, expect, estimate, project, strategy, and similar expressions. These statements are based on assumptions and assessments made by our management in light of its experience and its perception of historical trends, current conditions, expected future developments and other factors that our management believes to be appropriate. These forward looking statements are subject to a number of risks and uncertainties, including those risks described in this prospectus under **Risk Factors**, as well as other factors that our management has not yet identified. Any such forward looking statements are not guarantees of future performance and actual results, developments and business decisions may differ from those contemplated by such forward looking statements. We disclaim any duty to update any forward looking statements.

### **LEGAL MATTERS**

The validity of the common stock offered in this prospectus has been passed on by Greenbaum, Rowe, Smith & Davis LLP, 99 Wood Avenue South, Iselin, New Jersey 08830.

### **EXPERTS**

Our financial statements, which are included in our Annual Report on Form 10-KSB for this fiscal year ended March 31, 2005 and are incorporated by reference in this prospectus, have been audited by Imowitz, Koenig & Co. LLP, independent registered public accountants, to the extent and for the periods set forth in the report, and are included in reliance upon such report, given upon the authority of such firm as experts in auditing and accounting.



**DISCLOSURE OF COMMISSION POSITION ON INDEMNIFICATION**

**FOR SECURITIES ACT LIABILITIES**

Our articles of incorporation eliminate, to the fullest extent permitted by law, the personal liability of our directors and officers to us and to our stockholders for damages from a breach of any duty owed to us or to our stockholders.

Under Nevada law, a corporation may indemnify a director or officer if he or she (i) is not liable pursuant to Section 78.138 of the Nevada Private Corporations Law for breaching fiduciary duties as an officer or director and the breach of duties did not involve intentional misconduct, fraud or a knowing violation of law, or (ii) acted in good faith and in a manner that he or she reasonably believed to be in the best interest of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and persons controlling us pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

We have not authorized any dealer, sales person or other person to give any information or represent anything contained in this prospectus. You must not rely on any unauthorized information.

This prospectus is not an offer to sell, or a solicitation of an offer to buy, securities in any jurisdiction where it is unlawful.

**12,377,500 Shares**

**UNITED ENERGY**

**CORP.**

**Common Stock**

**PROSPECTUS**

**September 13, 2005**



**PART II****INFORMATION NOT REQUIRED IN PROSPECTUS****Item 14. Other Expenses of Issuance and Distribution.**

We estimate that expenses in connection with the offering described in this Registration Statement will be as follows:

<b>Type</b>	<b>Amount</b>
Securities and Exchange Commission Registration Fee	\$ 2,055
Printing and Engraving Expenses	\$ 5,000
Accountants Fees and Expenses	\$ 5,000
Legal Fees and Expenses	\$ 10,000
Miscellaneous	\$ 5,000
Total	\$ 27,055

**Item 15. Indemnification of Directors and Officers.**

Our articles of incorporation eliminate, to the fullest extent permitted by law, the personal liability of our directors and officers to us and to our stockholders for damages resulting from a breach of any duty owed to us or to our stockholders.

Under Nevada law, a corporation may indemnify a director or officer if he or she (i) is not liable pursuant to Section 78.138 of the Nevada Private Corporations Law for breaching fiduciary duties as an officer or director and the breach of duties did not involve intentional misconduct, fraud or a knowing violation of law, or (ii) acted in good faith and in a manner that he or she reasonably believed to be in the best interest of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

We currently maintain a directors and officers liability insurance policy.

**Item 16. Exhibits.****Exhibit**

<b>Number</b>	<b>Description of Document</b>
4.1	Articles of Incorporation of United Energy Corp. (1)
4.2	By-Laws of United Energy Corp. (1)
4.3	Form of Stock Certificate of United Energy Corp. (1)
4.4	Secured Convertible Term Note, dated March 24, 2004. (4)
4.5	Securities Purchase Agreement, dated March 24, 2004, between United Energy Corp. and Laurus Master Fund, Ltd. (4)
4.6	Registration Rights Agreement, dated March 24, 2004, between United Energy Corp. and Laurus Master Fund, Ltd. (4)
4.7	Common Stock Purchase Warrant, dated March 24, 2004. (4)
4.8	Amendment and Waiver, dated February 28, 2005, between United Energy Corp. and Laurus Master Fund, Ltd. (6)
4.9	Common Stock Purchase Warrant, dated February 28, 2005. (6)
4.10	Securities Purchase Agreement, dated March 18, 2005, between United Energy Corp. and the Purchasers set forth on the signature page thereto. (7)





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- 4.11 March 2005 Series A Purchase Warrant. (7)
- 4.12 March 2005 Series B Purchase Warrant. (7)
- 4.13 Registration Rights Agreement, dated March 18, 2005, between United Energy Corp. and the persons identified as Purchasers pursuant to that certain Securities Purchase Agreement. (7)
- 4.14 2005 Series B Secured Convertible Note. (7)
- 4.15 Certificate of Designations, Preferences and Rights of Series A Convertible Preferred Stock (7)
- 4.16 Consulting Services Agreement, dated April 27, 2005, between Untied Energy Corp. and Ben Barnes. (8)
- 4.17 Warrant Certificate, dated April 27, 2005. (8)
- 4.18 Amendment to Articles of Incorporation of United Energy Corp. (5)
- 4.19 2002 Common Stock and Warrant Purchase Agreement. (9)
- 4.20 2002 Common Stock Purchase Warrant. (9)
- 5.1 Opinion of Greenbaum, Rowe, Smith & Davis LLP. (9)
- 23.1 Consent of Imowitz, Koenig & Co., LLP. (9)
- 23.2 Consent of Greenbaum, Rowe, Smith & Davis LLP. (10)
- 24.1 Power of Attorney. (11)
  - (1) Incorporated by reference from the exhibits filed with our Form 10 on June 20, 2000.
  - (2) Incorporated by reference from the exhibits filed with our Form 10-Q for the period ended September 30, 2001.
  - (3) Incorporated by reference from the exhibits filed with our Form 8-K filed on June 3, 2002.
  - (4) Incorporated by reference from the exhibits filed with our Form 8-K filed on March 30, 2004.
  - (5) Incorporated by reference from the exhibits filed with our Definitive Schedule 14A filed on July 18, 2005.
  - (6) Incorporated by reference from the exhibits filed with our registrant s Form 8-K filed on April 12, 2005.
  - (7) Incorporated by reference from the exhibits filed with our registrant s Form 8-K filed on March 23, 2005.
  - (8) Incorporated by reference from the exhibits filed with our registrant s Form 8-K filed on June 3, 2005.
  - (9) Filed herewith.
  - (10) Included in opinion filed as Exhibit 5.1.
  - (11) Included on signature page hereto.

### **Item 17. Undertakings.**

(a) We hereby undertake:

- (1) To file, during any period in which offers or sales of securities are being made, a post-effective amendment to this registration statement:
  - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act.
  - (ii) To reflect in the prospectus any facts or events that, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in Calculation of Registration Fee table in the effective registration statement.
  - (iii) To include any additional or changed material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.



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Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) above do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by us pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered that remain unsold at the termination of the offering.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, we certify that we have reasonable grounds to believe that we meet all of the requirements for filing on Form S-3 and have duly caused this registration statement to be signed on our behalf by the undersigned, thereunto duly authorized, in the City of Secaucus, State of New Jersey, on the 13<sup>th</sup> day of September 2005.

UNITED ENERGY CORP.

By: /s/ Brian F. King  
 Brian F. King  
 Chief Executive Officer

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brian F. King, his true and lawful attorney-in-fact and agent, with full power of substitution and revocation, for him and in his name, place and stead, in any and all capacities, to sign (i) any and all amendments (including post-effective amendments) to this registration statement and to file the same with all exhibits thereto, and other documents in connection therewith and (ii) any registration statement and any and all amendments thereto, relating to the offer covered hereby filed pursuant to Rule 462(b) under the Securities Act of 1933, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite and necessary to be done as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the date indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
/s/ Brian F. King BRIAN F. KING	Chief Executive Officer	September 9, 2005
/s/ James McKeever JAMES MCKEEVER	Interim Chief Financial Officer	September 9, 2005
/s/ Ronald Wilen RONALD WILEN	Chairman	September 9, 2005
/s/ Andrea Pampanini ANDREA PAMPANINI	Director	September 9, 2005
/s/ Martin Rappaport MARTIN RAPPAPORT	Director	September 9, 2005
/s/ Louis Bernstein LOUIS BERNSTEIN	Director	September 9, 2005