

TRANS ENERGY INC
Form 10QSB
November 13, 2007
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended September 30, 2007

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 0-23530

TRANS ENERGY, INC.

(Exact name of small business issuer as specified in its charter)

Nevada

93-0997412

(State or other jurisdiction of
incorporation or organization)

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

210 Second Street, P.O. Box 393, St. Marys, West Virginia 26170

(Address of principal executive offices)

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Registrant's telephone no., including area code: (304) 684-7053

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes (X) No ()

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2) of the Exchange Act. Yes () No (X)

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

<u>Class</u>	<u>Outstanding as of October 23, 2007</u>
Common Stock, \$.001 par value	9,513,065

Transitional Small Business Disclosure Format (Check one): Yes () No (X)

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PART I**Item 1. Financial Statements****TRANS ENERGY, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(Unaudited)**

	September 30, 2007	December 31, 2006
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,460,202	\$ 208,815
Accounts Receivable, net of allowance for doubtful accounts of \$-0- and \$25,076, respectively	304,310	275,272
Accounts Receivable - related parties	484,776	569,600
Deferred Financing Costs	167,429	-
Derivative Instruments	50,116	-
Prepaid Expenses	625	22,500
Total Current Assets	2,467,458	1,076,187
PROPERTY AND EQUIPMENT, net of accumulated depreciation of \$143,007 and \$84,510, respectively	647,706	490,753
OIL AND GAS PROPERTIES, USING SUCCESSFUL EFFORTS ACCOUNTING		
Proved Properties	6,975,495	4,816,138
Unproved Properties	244,949	10,156
Pipelines	1,649,949	1,392,648
Accumulated depreciation, depletion and amortization	(1,684,641)	(1,569,997)
Net oil and gas properties	7,185,752	4,648,945
OTHER ASSETS		
Deferred Financing Costs, net of amortization of \$76,942	284,661	-
Derivative Instruments	200,465	-
Other Assets	208,334	35,524
Total Other Assets	693,460	35,524
TOTAL ASSETS	\$ 10,994,376	\$ 6,251,409

See notes to consolidated financial statements.

TRANS ENERGY, INC. AND SUBSIDIARIES
Consolidated Balance Sheets
(Unaudited)

	September 30, 2007	December 31, 2006
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
CURRENT LIABILITIES		
Accounts Payable, trade	\$ 1,603,545	\$ 1,165,846
Accounts Payable - related party	246,911	237,347
Accrued Expenses	402,506	326,781
Accrued Expenses - related party	31,000	31,000
Judgments Payable	-	118,046
Notes Payable	88,433	1,258,381
Notes Payable - related parties	-	549,739
 Total Current Liabilities	 2,372,395	 3,687,140
LONG-TERM LIABILITIES		
Notes Payable, net of unamortized discount of \$872,296 and \$0, respectively	8,466,218	1,663,509
Asset Retirement Obligation	205,467	190,364