TURNER VALLEY OIL & GAS INC
Form 10-Q
November 14, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the Third Quarter ended September 30, 2008

Commission File Number: 0-30891

Turner Valley Oil & Gas, Inc.
(Exact name of Registrant as specified in its charter)

Nevada (Jurisdiction of Incorporation)	91-1980526 (I.R.S. Employer Identification No.)
604-700 West Pender Street, Vancouver, BC (Address of principal executive offices)	V6C 1G8 (Zip Code)

Registrant's telephone number, including area code: (604) 602-1650

Securities registered pursuant to Section 12(g) of the Act: Common Stock

61,335,984 shares off common stock were outstanding as of September 30, 2008.

Transitional Small Business Disclosure Format (check one): yes o no x

INTRODUCTION

This Registrant (Reporting Company) has elected to refer to itself, whenever possible, by normal English pronouns, such as "We", "Us" and "Our". This Form 8-K may contain forward-looking statements. Such statements include statements concerning plans, objectives, goals, strategies, future events, results or performances, and underlying assumptions that are not statements of historical fact. This document and any other written or oral statements made by us or on our behalf may include forward-looking statements which reflect our current views, with respect to future events or results and future financial performance. Certain words indicate forward-looking statements, words like "believe", "expect", "anticipate", "intends", "estimates", "forecast", "projects", and similar expressions.

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PART I: FINANCIAL INFORMATION

Item 1. Financial Statements.

The financial statements, for the nine months ended September 30, 2008, included herein have been prepared by the us, without audit pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnotes disclosure normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although we believe that the disclosures are adequate to make the information not misleading.

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TURNER VALLEY OIL & GAS, INC.

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2008

TURNER VALLEY OIL & GAS, INC.
(A Development Stage Company)
Consolidated Balance Sheets

ASSETS

		September 30 2008 Unaudited		December 31, 2007
CURRENT ASSETS				
Cash	$	6,506	$	75,688
Accounts receivable		17,904		8,088
Total Current Assets		24,410		83,776
OIL AND GAS PROPERTIES USING FULL COST ACCOUNTING				
Properties subject to amortization		10,675		18,175
Unproved properties		-		-
Net Oil and Gas Properties		10,675		18,175
OTHER ASSETS				
Investments - Marketable Securities available for sale		-		-
Total Other Assets		-		-
TOTAL ASSETS	$	35,085	$	101,951
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)				
CURRENT LIABILITIES				
Accounts payable	$	35,822	$	4,211
Notes payable, related party		23,658		23,658
Total Current Liabilities		59,480		27,869
Total Liabilities		59,480		27,869
Other Commitments or Contingencies		-		-
STOCKHOLDERS' EQUITY (DEFICIT)				
Common stock, 100,000,000 shares authorized of $0.001 par value, 61,335,984 shares issued and outstanding		61,337		61,337
Capital in excess of par value		4,741,873		4,741,873
Accumulated other comprehensive income		(3,357)		(3,356)

Deficit accumulated during the development stage	(4,824,248)	(4,725,772)
Total Stockholders' Equity (Deficit)	(24,395)	74,082
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 35,085	$ 101,951

The accompanying notes are an integral part of these consolidated financial statements.

TURNER VALLEY OIL & GAS, INC.
(A Development Stage Company)
Consolidated Statements of Operations and Comprehensive Income/(Loss)

	For the Three Months Ended September 30, 2008	2007	For the Nine months Ended September 30, 2008	2007	From Inception on April 21, 1999 Through September, 30 2008
REVENUE					
Royalties received	$ 5,205	$ 1,121	$ 8,946	$ 1,522	$ 33,985
EXPENSES					
Cost of production	-	-	-	-	51,753
Depletion	2,500	2,500	7,500	7,500	38,267
Abandonment of natural gas and oil property	-	-	-	-	525,544
General and administrative	6,643	53,458	99,924	157,031	5,037,887
Total Expenses	9,143	55,958	107,424	164,531	5,653,451
NET OPERATING LOSS	(3,938)	(54,837)	(98,478)	(163,009)	(5,619,466)
OTHER INCOME (EXPENSE)					
Gain on sale of investments		39,669	-	97,799	798,510
Rent Received	-	-	-	-	-
Interest expense	-	-	-	-	(3,292)
Total Other Income (Expense)	-	39,669	-	97,799	795,218
NET PROFIT/(LOSS) BEFORE INCOME TAX	$ (3,938)	$ (15,168)	$ (98,478)	$ (65,210)	$ (4,824,248)
Income tax	$ -	$ -	$ -	$ -	$ -
NET PROFIT/(LOSS)	$ (3,938)	$ (15,168)	$ (98,478)	$ (65,210)	$ (4,824,248)
BASIC LOSS PER COMMON SHARE	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)	
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING	61,335,984	58,535,984	61,335,984	58,535,984	
COMPREHENSIVE INCOME (LOSS)					

NET LOSS	$ (3,938)	$ (15,168)	$ (98,478)	$ (65,210)	$ (4,824,248)
OTHER COMPREHENSIVE INCOME (LOSS)					
Unrealized Gain on Marketable Securities		21,347	-	(407,310)	(725)
Foreign Currency Translation	-	-	-	725	(3,357)
COMPREHENSIVE INCOME (LOSS)	$ (3,938)	$ 6,179	$ (98,478)	$ (471,795)	$ (4,828,330)

The accompanying notes are an integral part of these consolidated financial statements.

Turner Valley Oil & Gas Corporation
(A Development Stage Company)
Statement of Stockholders' Equity and Comprehensive Income
For the period from inception to September 30, 2008

	Shares	Amount	Additional Paid-in-Capital	Comprehensive Income/(Loss)	Retained Earnings	Subscription Receivable
Balance at inception April 21, 1999	0	0	0			
Shares issued for services during 1999	41,080	41	5,094			
Shares issued for cash during 1999	16,000	16	99,984			
Net Loss for the period ended December 31, 1999					(96,935)	
Balance at December 31, 1999	57,080	57	105,078	0	(96,935)	0
Net Loss for the period ended December 31, 2000					(27,242)	
Balance at December 31, 2000	57,080	57	105,078	0	(124,177)	0
Net Loss for the period ended December 31, 2001					(65,380)	
Balance at December 31, 2001	57,080	57	105,078	0	(189,557)	0
Shares issued for debt reduction during 2002	8,000	8	99,992			
Shares issued for services during 2002	2,190,150	2,190	1,092,885			
Net Loss for the period ended December 31, 2002					(1,240,008)	
Balance at December 31, 2002	2,255,230	2,255	1,297,955	0	(1,429,565)	0
Shares issued for services at $.02 per share	1,500,000	1,500	298,500			

Rounding of shares from reverse split	2,000	2	(2)			
Shares issued for accounts payable at $.05 Per share	8,000,000	8,000	392,000			
Shares issued for services at $.015 per share	31,729,200	31,729	444,209			
Shares issued for services at $.015 per share	9,487,504	9,488	132,825			
Shares issued pursuant to S-8 registration at $.05 per share	2,000,000	2,000	98,000			
Shares issued pursuant to S-8 registration at $.05 per share	650,000	650	31,850			
Cancellation of Common Stock	(16,691,520)	(16,692)	(220,459)			
Shares issued for cash at $.05 per share	3,000,000	3,000	147,000			
Shares issued for cash at $.30 per share	100,000	100	29,900			
Shares issued for cash at $.35 per share	528,570	529	184,471			
Foreign Currency Translation				(1,718)		
Net Loss for the period ended December 31, 2003	0	0	0		(1,137,760)	
Balance at December 31, 2003	42,560,984	42,561	2,836,249	(1,718)	(2,567,325)	0
Shares issued pursuant to S-8 registration at $.20 per share						
Shares issued pursuant to S-8 registration at $.08 per share	1,597,500	1,598	126,202			
	1,000,000	1,000	79,000			

Shares issued pursuant to S-8 registration at $.08 per share						
Shares issued pursuant to S-8 registration at $.11 per share 9/30/2004	85,000	85	9,265			
Shares issued pursuant to S-8 registration at $.20 per share	1,385,000	1,385	275,615			
Shares issued for Cash at $.05 per share	975,000	975	47,775			
Subscription Recievable						(48,750)
Foreign Currency Translation				(2,367)		
Net Loss for the period ended December 31, 2004	0	0	0	0	(784,001)	
Balance at December 31, 2004	48,535,984	48,537	3,559,673	(4,085)	(3,351,325)	(48,750)
Shares issued pursuant to S-8 registration at $.13 per share	2,850,000	2,850	367,650			
Shares issued pursuant to S-8 registration at $.13 per share	2,000,000	2,000	258,000			
Foreign Currency Translation				(725)		
Subscription Recievable						48,750
Net Loss for the period ended December 31, 2005					(472,917)	
Balance at December 31, 2005	53,385,984	53,387	4,185,323	(4,810)	(3,824,242)	0
Shares issued pursuant to S-8 registration at $.13 per share	2,000,000	2,000	258,000			
	1,600,000	1,600	126400			

Shares issued pursuant to S-8 registration at $.08 per share						
Shares issued pursuant to S-8 registration at $.08 per share	1,450,000	1,450	114,550			
Shares issued under Rule 144 at $0.13 per share	100,000	100	12,900			
Net Income for the year ended December 31, 2006				500,093	(287,236)	
Balance as at December 31, 2006	58,535,984	58,537	4,697,173	495,283	(4,111,478)	0
Realization of unrealized gains on investments				(500,093)		
Foreign currency transalation				1,453		
Issuance of S-8 stock for services at $0.01	1,500,000	1,500	13,500			
Issuance of S-8 stock for services at $0.025	1,300,000	1,300	31,200			
Net Income/(loss) for the year ended December 31, 2007					(614,292)	
Balance as at December 31, 2007	61,335,984	61,337	4,741,873	(3,357)	(4,725,770)	
Net Income/(loss) for the nine months ended September 30, 2008					(98,478)	
Balance as at September 30, 2008	61,335,984	61,337	4,741,873	(3,357)	(4,824,248)	0

The accompanying notes are an integral part of these consolidated financial statements.

TURNER VALLEY OIL & GAS, INC.
(A Development Stage Company)
Consolidated Statements of Cash Flows

	For the 9 months Ended September 30, 2008	2007	From Inception on April 21, 1999 Through September 30, 2008
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (98,478)	$ (65,210)	$ (4,824,248)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depletion	7,500	7,500	38,267
Loss on abandonment of property	-	-	551,025
Gain on sale of Investment	-	(97,799)	(834,085)
Common stock issued for services rendered	-	15,000	4,289,460
Non-cash Effect from Foreign Currency Translation and change in comphrehensive income	-	-	1,274
Changes in operating assets and liabilities:			
Increase (Decrease) in bank Overdraft	-	-	(4,085)
(Increase) Decrease in accounts receivable	(9,815)	1,394	(10,536)
Increase (Decrease) in accounts payable - related Party		-	23,659
Increase in accounts payable and accrued expenses	31,611	11,977	327,201
Net Cash Used in Operating Activities	(69,182)	(127,138)	(442,068)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of investments	-	141,640	1,073,082
Investing in new Oil & Gas working interests	-	-	(825,544)
Expenditures for oil and gas property development		-	(312,714)
Net Cash Used in Investing Activities	-	141,640	(65,176)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issuance of common stock	-	-	465,000
Receipt of subscription receivable	-	-	48,750
Net Cash Provided by Financing Activities	-	-	513,750

NET INCREASE (DECREASE) IN CASH		(69,182)		14,502		6,506
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		75,688		-		-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$	6,506	$	14,502	$	6,506

TURNER VALLEY OIL & GAS, INC.
(A Development Stage Company)
Unaudited Consolidated Statements of Cash Flows (Continued)

	For the nine months ended September 30 2008	For the nine months ended September 30 2007	From Inception on April 21, 1999 Through September 30, 2008
SUPPLEMENTAL CASH FLOW INFORMATION			
CASH PAID FOR:			
Interest	$ -	$ -	$ -
Income taxes	$ -	$ -	$ -
NON-CASH FINANCING ACTIVITIES			
Common stock issued for services rendered	$ -	$ 15,000	$ 3,724,460
Common stock issued for retirement of payables	$ -	$ -	$ 532,500
Transfer of working interest for payment of debt	$ -	$ 400,000	$ 400,000

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements
September 30, 2008

NOTE 1 - BASIS OF PRESENTATION

The financial information included herein is un-audited and has been prepared consistent with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q. Accordingly, these financial statements do not include all information and footnotes required by generally accepted accounting principles for complete financial statements. These statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's annual report on Form 10-KSB for the year ended December 31, 2007. In the opinion of management, these financial statements contain all adjustments (consisting solely of normal recurring adjustments) which are, in the opinion of management, necessary for a fair statement of results for the interim period presented.

The results of operations for the nine months ended September 30, 2008 are not necessarily indicative of the results to be expected for the full year.

NOTE 2 - LOSS PER SHARE

Following is a reconciliation of the loss per share for the three months and nine months ended September 30, 2008 and 2007:

	For the Three Months Ended September 30,	
	2008	2007
Net (loss) available to common shareholders	$ (3,938)	$ (15,168)
Weighted average shares	61,335,984	58,535,984
Basic income per share (based on weighted average shares)	$ 0.00	$ 0.00

	For the Nine Months Ended September 30,	
	2008	2007
Net (loss) available to common shareholders	$ (98,478)	$ (65,210)
Weighted average shares	61,335,984	58,535,984
Basic income per share (based on weighted average shares)	$ 0.00	$ 0.00

Notes to the Consolidated Financial Statements
September 30, 2008

NOTE 3 - OIL AND GAS PROPERTIES

The full cost method is used in accounting for oil and gas properties. Accordingly, all costs associated with acquisition, exploration, and development of oil and gas reserves, including directly related overhead costs, are capitalized. In addition, depreciation on property and equipment used in oil and gas exploration and interest costs incurred with respect to financing oil and gas acquisition, exploration and development activities are capitalized in accordance with full cost accounting. All capitalized costs of proved oil and gas properties subject to amortization are being amortized on the unit-of-production method using estimates of proved reserves. Investments in unproved properties and major development projects not subject to amortization are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is added to the capitalized costs to be amortized. As of September 30, 2008 and December 31, 2007, proved oil and gas reserves had been identified on certain of the Company's oil and gas properties. During the nine months ended September 30, 2008 and 2007, the Company recorded depletion of $7,500 on its producing properties.

Notes to the Consolidated Financial Statements
September 30, 2008

NOTE 4 – GOING CONCERN

The Company's financial statements have been prepared assuming that the Company will continue as a going concern. The Company is dependent upon raising capital to execute its business plan. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. It is management's plan to raise capital in order to execute their business plan, thus creating necessary operating revenues.

Item 2. Discussion and Analysis or Plan of Operation.

(A) PLAN OF OPERATION.

The Company's sole focus is on the exploration for, development drilling for, and transmission facilities for the production and sale of oil and gas. The Company has incorporated a wholly owned Canadian subsidiary named T.V Oil & Gas Canada Limited. This Company is a Federal Canadian Registered Company and complies with all applicable laws within Canada.

Our financial statements contain the following additional material notes:

(Note 6-Going Concern) The Company's financial statements have been prepared assuming that the Company will continue as a going concern. The Company is dependent upon raising capital to execute its business plan. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. It is management's plan to raise capital in order to execute their business plan, thus creating necessary operating revenues.

(Note 3-Development Stage Company) The Company is a development stage company as defined in Financial Accounting Standards Board Statement 7. It is concentrating substantially all of its efforts in raising capital and developing its business operations in order to generate operating revenues.

(B) DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

During the quarter ended September 30, 2008, we had royalty revenues of $5,205 from our working interest in the Strachan property (September 30, 2007: $1,121). Revenues for the nine months ending September 30, 2008, we had royalty revenues of $8,946 (September 30, 2007: $1,522). In both instances the increase in royalties was caused by an increase in natural gas prices obtained by the operator. All our properties are geographically and physically independent of one another. They are located in the Western Canada Geologic Basin centered in Alberta, Canada.

The Strachan Property. On August 20, 2003, we entered into a purchase agreement to acquire 1% interest in a producing gas well, located at 2-2-38-9W5 Red Deer, Alberta, Canada. The Strachan Prospect is located 80 miles NW of Calgary, Alberta. The gas production rate at the time of the acquisition fluctuated between 1.5 and 2 MMCF/Day (million cubic feet of gas per day). The Company's senior management has set out a rework program for this well. The rework program calls for an acid wash and acid stimulation of the producing formation. The Company has agreed to participate in the program. The program was completed on October 15, 2003 and as of October 20, 2003, the new production rates have stabilized at approximately 2.66 MMCF/Day, representing a 40% increase over initial production rates.

In addition to the preceding acquisition, we entered into a purchase agreement to acquire 0.5% interest in 10 Sections (6,400 acres) of drilling rights offsetting Sct. 22-38-9W-5. These offsetting sections have identified seismic anomalies in multiple cretaceous pay zones. The purchase price of the property was $45,114. The depletion for the nine months ended September 30, 2008 was $7,500. (September 30, 2007: $7,500)

General and Administrative costs

General and Administrative costs for the nine months ended September 30, 2008 decreased to $99,924, when compared to $157,031, for the corresponding period in the prior year. The decrease in expenses for the period was caused by a reduction in consultancy charges and a general decrease in overhead expenses as the Company realigns its expenses to revenue.

The Company's total expenses were $107,424 for the nine months ended September 30, 2008 as compared to $164,531 for the prior year.

The Net Loss for the nine months ended September 30, 2008 was $(98,478) as compared to a Net Loss of $(163,009) for the corresponding period for the prior year. The decrease in loss for the period was caused by a reduction in operating expenses and an increase in royalty revenues.

(1) Liquidity. Our net working capital for the quarter ended September 30, 2008 decreased to $(35,070), compared to a surplus of $55,907 for the year ended December 31, 2007. The decrease in working capital was caused the increase in accounts payable for the period.

To date we have not invested in derivative securities or any other financial instruments which involve a high level of complexity or risk. We expect that in the future, any excess cash will continue to be invested in credit quality, interest-bearing securities.

We believe cash from operating activities, and our existing cash sources may not be sufficient to meet our working capital requirements for the next 12 months. We will likely require additional funds to support our business plan. Management intends to raise additional working capital through debt and equity financing.

Off Balance Sheet Arrangements

As of September 30, 2008, there were no off balance sheet arrangements.

Going Concern

As shown in the accompanying financial statements, we have incurred a net loss of $4,824,248 since inception. To achieve profitable operations, we require additional capital for obtaining producing oil and gas properties through either the purchase of producing wells or successful exploration activity. We believe that we may not be able to obtain sufficient funding to meet our business objectives, including anticipated cash needs for working capital and is currently evaluating several financing options. However, there can be no assurances can be offering in this regard. As a result of the foregoing, there exists substantial doubt about our ability to continue as a going concern.

Critical Accounting Policies

In December 2001, the SEC requested that all registrants list their most "critical accounting polices" in the Management Discussion and Analysis. The SEC indicated that a "critical accounting policy" is one which is both important to the portrayal of a company's financial condition and results, and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. We believe that the following accounting policies fit this definition.

Joint Ventures

All exploration and production activities are conducted jointly with others and, accordingly, the accounts reflect only our proportionate interest in such activities.

Natural Gas and Oil Properties

We account for our oil and gas producing activities using the full cost method of accounting as prescribed by the United States Securities and Exchange Commission ("SEC"). Accordingly, all costs associated with the acquisition of properties and exploration with the intent of finding proved oil and gas reserves contribute to the discovery of proved reserves, including the costs of abandoned properties, dry holes, geophysical costs, and annual lease rentals are capitalized. All general corporate costs are expensed as incurred. In general, sales or other dispositions of oil and gas properties are accounted for as adjustments to capitalized costs, with no gain or loss recorded. Amortization of evaluated oil and gas properties is computed on the units of production method based on all proved reserves on a country-by-country basis. Unevaluated oil and gas properties are assessed at least annually for impairment either individually or on an aggregate basis. The net capitalized costs of evaluated oil and gas properties (full cost ceiling limitation) are not to exceed their related estimated future net revenues from proved reserves discounted at 10%, and the lower of cost or estimated fair value of unproved properties, net of tax considerations. These properties are included in the amortization pool immediately upon the determination that the well is dry.

Unproved properties consist of lease acquisition costs and costs on well currently being drilled on the properties. The recorded costs of the investment in unproved properties are not amortized until proved reserves associated with the projects can be determined or until they are impaired.

Revenue Recognition

Revenue from sales of crude oil, natural gas and refined petroleum products are recorded when deliveries have occurred and legal ownership of the commodity transfers to the customers. Title transfers for crude oil, natural gas and bulk refined products generally occur at pipeline custody points or when a tanker lifting has occurred. Revenues from the production of oil and natural gas properties in which we share an undivided interest with other producers are recognized based on the actual volumes sold by us during the period. Gas imbalances occur when our actual sales differ from its entitlement under existing working interests. We record a liability for gas imbalances when we have sold more than our working interest of gas production and the estimated remaining reserves make it doubtful that the partners can recoup their share of production from the field. At September 30, 2008 and 2007, we had no overproduced imbalances.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not applicable

Item 4T. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of September 30, 2008. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer, Mr. Christopher Paton-Gay, and our Chief Financial Officer, Mr. Kulwant Sandher. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2008, our disclosure controls and procedures are effective.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act are recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Limitations on the Effectiveness of Internal Controls

Our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will necessarily prevent all fraud and material error. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving our objectives and our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures are effective at that reasonable assurance level. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the internal control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control Over Financial Reporting

There have been no significant changes in our internal controls over financial reporting during the quarter ended June 30, 2008 that have materially affected or are reasonably likely to materially affect such controls.

PART II: OTHER INFORMATION

Item 1. Legal Proceedings. None.

Item 2. Changes in Securities. None.

Item 3. Defaults on Senior Securities. None

Item 4. Submission of Matters to Vote of Security Holders. None.

Item 5. Other Information. None.

Item 6. Exhibits and Reports on Form 8-K.

Exhibit 31. Section 302 Certification

Exhibit 32. Certification Pursuant TO 18 USC Section 1350

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this Form 10-Q Report for the Second Quarter ended June 30, 2008, has been signed below by the following persons on behalf of the Registrant and in the capacity and on the date indicated.

Turner Valley Oil and Gas, Inc.

Dated: November 14, 2008

by

/s/Kulwant Sandher	/s/Donald Jackson Wells	/s/Joseph Kane
Kulwant Sandher	Donald Jackson Wells	Joseph Kane
President / CFO	director	director