

Global Clean Energy Holdings, Inc.
Form 10-Q
November 14, 2008

UNITED STATES

**SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(MARK ONE)

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

FOR THE QUARTERLY PERIOD ENDED September 30, 2008

OR

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

COMMISSION FILE NUMBER: 0-12627

GLOBAL CLEAN ENERGY HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction of
incorporation or organization)

87-0407858
(I.R.S. Employer
Identification Number)

6033 W. Century Blvd, Suite 895,
Los Angeles, California 90045
(Address of principal executive offices)

(310) 641-4234
Issuer's telephone number:

(Former Name or Former Address, if Changed Since Last Report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the

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Securities Exchange Act of 1934 during the preceding 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 large accelerated filer, a non-accelerated filer, or a smaller reporting company.

Large accelerated filer ``

Accelerated filer ``

Non-accelerated filer ``

Smaller reporting company x

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: As of November 11, 2008, the issuer had 239,306,317 shares of common stock outstanding, which includes 4,567,519 shares of common stock currently held in escrow.

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

GLOBAL CLEAN ENERGY HOLDINGS, INC.
For the quarter ended September 30, 2008
FORM 10-Q

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PART I

ITEM 1. FINANCIAL STATEMENTS.

GLOBAL CLEAN ENERGY HOLDINGS, INC. AND SUBSIDIARIES
FORMERLY KNOWN AS MEDICAL DISCOVERIES, INC.
(A Development Stage Company)
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30, 2008	December 31, 2007
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 90,673	\$ 805,338
Subscription receivable	-	75,000
Other current assets	80,435	51,073
Total Current Assets	171,108	931,411
PROPERTY AND EQUIPMENT		
Land	2,051,282	-
Plantation development costs	1,791,860	308,777
Plantation equipment	509,037	-
Office equipment	10,993	1,127
	4,363,172	309,904
Less accumulated depreciation	(11,501)	(563)
	4,351,671	309,341
OTHER ASSETS	2,691	-
TOTAL ASSETS	\$ 4,525,470	\$ 1,240,752
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ 1,477,740	\$ 1,243,877
Accrued payroll and payroll taxes	1,064,434	950,971
Accrued interest payable	443,072	300,651
Accrued return on minority interest	67,983	-
Secured promissory note	450,000	250,000
Notes payable to shareholders	56,000	56,000
Convertible notes payable	193,200	193,200
Financial instrument	-	2,166,514
Current liabilities associated with assets held for sale	3,081,158	3,113,970
Total Current Liabilities	6,833,587	8,275,183
MORTGAGE NOTE PAYABLE	2,051,282	-

MINORITY INTEREST	1,392,451	-
STOCKHOLDERS' DEFICIT		
Preferred stock - no par value; 50,000,000 shares authorized		
Series A, convertible; zero and 28,928 shares issued and outstanding, respectively (aggregate liquidation preference of \$0 and \$2,892,800, respectively)	-	514,612
Series B, convertible; 13,000 shares issued or subscribed (aggregate liquidation preference of \$1,300,000)	1,290,735	1,290,735
Common stock, no par value; 500,000,000 shares authorized; 222,036,041 and 174,838,967 shares issued and outstanding, respectively	17,534,474	16,526,570
Additional paid-in capital	3,608,424	1,472,598
Deficit accumulated prior to the development stage	(1,399,577)	(1,399,577)
Deficit accumulated during the development stage	(26,785,906)	(25,439,369)
Total Stockholders' Deficit	(5,751,850)	(7,034,431)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 4,525,470	\$ 1,240,752

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

GLOBAL CLEAN ENERGY HOLDINGS, INC. AND SUBSIDIARIES
FORMERLY KNOWN AS MEDICAL DISCOVERIES, INC.
(A Development Stage Company)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,		From Inception of the Development Stage on November 20, 1991 through September 30, 2008
	2008	2007	2008	2007	
Operating Expenses					
General and administrative	\$ 345,499	\$ 564,268	\$ 1,360,410	\$ 919,273	\$ 9,260,968
Research and development	-	986,584	-	986,584	986,584
Loss from Operations	(345,499)	(1,550,852)	(1,360,410)	(1,905,857)	(10,247,552)
Other Income (Expenses)					
Unrealized gain (loss) on financial instrument	-	(1,735,102)	5,469	(1,520,482)	4,722,632
Interest income	37	124	4,306	394	66,911
Interest expense	(78,921)	(11,501)	(155,244)	(27,252)	(1,392,793)
Interest expense from amortization of discount on secured promissory note	(19,766)	(58,673)	(36,369)	(58,673)	(286,369)
Gain on debt restructuring	-	90,000	-	90,000	2,524,787
Other income	-	-	-	-	906,485
Total Other Income (Expenses)	(98,650)	(1,715,152)	(181,838)	(1,516,013)	6,541,653
Loss from Continuing Operations Before					
Minority Interest in Net Loss	(444,149)	(3,266,004)	(1,542,248)	(3,421,870)	(3,705,899)
Minority interest in net loss	105,126	-	189,279	-	189,279
Loss from Continuing Operations	(339,023)	(3,266,004)	(1,352,969)	(3,421,870)	(3,516,620)
Income (Loss) from Discontinued Operations (net of gain on disposal of MDI-P of \$258,809 in 2007)					
	250,782	(60,501)	6,432	(355,305)	(22,577,087)
Net Loss	(88,241)	(3,326,505)	(1,346,537)	(3,777,175)	(26,093,707)
	-	-	-	-	(692,199)

Preferred stock dividend
from beneficial conversion
feature

Net Loss Applicable to Common Shareholders	\$	(88,241)	\$	(3,326,505)	\$	(1,346,537)	\$	(3,777,175)	\$	(26,785,906)
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Basic and Diluted Loss per
Common Share:

Loss from Continuing Operations	\$	(0.00)	\$	(0.03)	\$	(0.01)	\$	(0.03)
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Income (Loss) from Discontinued Operations	\$	0.00	\$	(0.00)	\$	(0.00)	\$	(0.00)
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Net loss	\$	(0.00)	\$	(0.03)	\$	(0.01)	\$	(0.03)
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Basic and Diluted
Weighted-Average Common

Shares Outstanding	222,036,041	129,802,551	202,660,451	122,214,575
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The accompanying notes are an integral part of these financial statements.

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(A Development Stage Company)