

TRI VALLEY CORP
Form 10-Q
November 14, 2006

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**FORM 10-Q
QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES AND EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2006, Commission File No. 001-31852

Tri-Valley Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
Incorporation or organization)

84-0617433

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

4550 California Ave., Suite 600, Suite 200, Bakersfield, California 93309

(Address of principal executive offices)

(661) 864-0500

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the 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 No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Large Accelerated Filer Accelerated Filer Non-accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The number of shares of the issuer's common stock outstanding at October 31, 2006, was 23,303,942.

TRI-VALLEY CORPORATION

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Part I - FINANCIAL INFORMATION**Item 1. Unaudited Consolidated Financial Statements****TRI-VALLEY CORPORATION
CONSOLIDATED BALANCE SHEETS**

ASSETS	September 30, 2006 (Unaudited)	December 31, 2005 (Audited)
Current assets		
Cash	\$ 3,405,017	\$ 4,876,921
Accounts receivable, trade	233,470	273,409
Advance receivable	422,456	158,460
Prepaid expenses	42,529	42,529
Total current assets	4,103,472	5,351,319
Property and equipment, net		
Proved properties	962,035	1,146,103
Unproved properties	2,708,054	3,009,564
Other property and equipment	11,765,052	9,480,314
Total property and equipment, net	15,435,141	13,635,981
Other assets		
Deposits	1,578,570	316,614
Investments in partnerships	17,400	17,400
Goodwill	212,414	212,414
Other	140,105	205,002
Total other assets	1,948,489	751,430
Total assets	\$ 21,487,102	\$ 19,738,730

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

LIABILITIES AND SHAREHOLDERS' EQUITY

	September 30, 2006 (Unaudited)	December 31, 2005 (Audited)
Current liabilities		
Notes payable	\$ 947,518	\$ 966,649
Accounts payable and accrued expenses	3,202,016	1,190,604
Amounts payable to joint venture participants	265,312	161,747
Advances from joint venture participants, net	4,475,117	5,318,645
Total current liabilities	8,889,963	7,637,645
Non-Current Liabilities		
Due to joint ventures	380,513	201,748
Asset Retirement Obligation	97,581	92,108
Long-term portion of notes payable	4,764,091	4,234,509
Total non-current liabilities	5,242,185	4,528,365
Total liabilities	14,132,148	12,166,010
Stockholders' equity		
Common stock, \$.001 par value; 100,000,000 shares authorized; 23,299,942 and 22,806,176 issued and outstanding at September 30, 2006, and December 31, 2005, respectively	23,300	22,806
Less: common stock in treasury, at cost, 100,025 shares	(13,370)	(13,370)
Capital in excess of par value	28,036,459	