

Edgar Filing: New Concept Energy, Inc. - Form 10-Q

New Concept Energy, Inc.  
Form 10-Q  
August 13, 2008

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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 EXCHANGE ACT OF 1934

FOR THE QUARTER ENDED JUNE 30, 2008  
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 000-08187  
NEW CONCEPT ENERGY, INC.  
(formerly Cabeltel International Corporation)  
(Exact Name of Registrant as Specified in Its Charter)

Nevada 75-2399477

-----  
(State or Other Jurisdiction of (I.R.S. Employer  
Incorporation or Organization) Identification No.)

1755 Wittington Place, Suite 340  
Dallas, Texas

-----  
(Address of principal executive offices)

75234

-----  
(Zip Code)

(972) 407-8400  
(Registrant's telephone number, including area code)

-----  
(Former name, former address and former  
fiscal year, 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 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 an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes . No .

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

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

### APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicate by check mark whether the Registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes . No .

### APPLICABLE ONLY TO CORPORATE ISSUERS:

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date.

Common Stock, \$.01 par value	1,936,935
-----	-----
(Class)	(Outstanding at August 13, 2008)
=====	=====

NEW CONCEPT ENERGY, INC.  
Index to Quarterly Report on Form 10-Q  
Period ended June 30, 2008

PART I: FINANCIAL INFORMATION.....	3
Item 1. Financial Statements.....	3
Consolidated Balance Sheets.....	3
Consolidated Statements of Operations.....	5
Consolidated Statements of Cash Flows.....	6
Notes To Consolidated Financial Statements.....	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.....	9
Item 3. Quantitative and Qualitative Disclosures About Market Risk.....	12
Item 4. Controls and Procedures.....	13
PART II: OTHER INFORMATION.....	14
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.....	14
Item 6. Exhibits.....	14
Signatures.....	16

## PART I: FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS  
-----New Concept Energy, Inc.  
Consolidated Balance Sheets  
(amounts in thousands)

Assets	June 30, 2008 (Unaudited) -----	December 31, 2007 -----
Current assets		
Cash and cash equivalents	\$ 159	\$ 172
Notes and interest receivable - related party	16,149	2,200
Other current assets	11	8
	-----	-----
Total current assets	16,319	2,380
Investment in mineral rights	--	6,848
Deposit for oil & gas acquisitions	5,429	--
Property and equipment, at cost		
Land and improvements	20	20
Buildings and improvements	172	172
Equipment and furnishings	373	336
	-----	-----
	565	528
Less accumulated depreciation	417	397
	-----	-----
	148	131
Deferred tax asset	--	250
Other assets	250	177
	-----	-----
Total Assets	\$22,146	\$ 9,786

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The accompanying notes are an integral part of these  
Consolidated Financial Statements.

3

New Concept Energy, Inc.  
Consolidated Balance Sheets - Continued  
(amounts in thousands, except share amounts)

Liabilities and Stockholders' equity	June 30, 2008 (Unaudited)	December 31, 2007
	-----	-----
Current liabilities		
Accounts payable - trade	\$ 82	\$ 90
Income taxes payable	1,376	--
Accrued expenses	266	175
	-----	-----
Total current liabilities	1,724	265
Long term debt - related party	--	6,921
Other long-term liabilities	428	459
	-----	-----
Total liabilities	2,152	7,645
Stockholders' equity		
Preferred stock, Series B	1	1
Common stock \$.01 par value; authorized, 100,000,000 shares; 986,943 shares at June 30, 2007 and 1,936,985 shares at June 30, 2008 issued and outstanding	19	10
Additional paid-in capital	58,814	55,992
Accumulated deficit	(38,840)	(53,862)
	-----	-----
	19,994	2,141
	-----	-----
Total Liabilities and Equity	\$ 22,146	\$ 9,786
	=====	=====

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The accompanying notes are an integral part of these  
Consolidated Financial Statements.

4

New Concept Energy, Inc.  
Consolidated Statements of Operations  
(amounts in thousands, except per share data)

	For The Three Month Period Ended June 30,		
	2008	2007	2007
(Unaudited) (Unaudited)			
Revenue			
Real estate operations	\$ 699	\$ 761	\$ 1
Operating expenses			
Real estate operations	313	324	
Lease expense	237	219	
Corporate general and administrative	264	251	
	814	794	1
Operating loss	(115)	(33)	
Other income (expense)			
Interest income	198	27	
Interest expense	(68)	--	
Gain on the sale of leasehold interests	16,440	--	16
Other income net	138	--	
	16,708	27	16
Earnings (loss) from continuing operations	16,593	(6)	16
Provision for income taxes	1,626	--	1
	14,967	(6)	15
Discontinued Operations			
Loss from operations	--	--	
Provision for asset impairment	--	--	
Loss from discontinued operations	--	--	--

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Net income (loss) applicable to common shares	14,967	(6)	15
	=====	=====	=====
Earnings (loss) per share - basic and diluted			
Continuing operations	\$ 7.73	\$ (0.01)	\$
Discontinued operations	--	--	--
	-----	-----	-----
Net income (loss) per share	\$ 7.73	\$ (0.01)	\$
	=====	=====	=====
Basic weighted average common shares	1,937	986	1

The accompanying notes are an integral part of these Consolidated Financial Statements.

5

New Concept Energy, Inc.  
Consolidated Statements of Cash Flows  
(amounts in thousands)

	For the Six Month Period Ended June 30,	
	2008	2007
	-----	-----
(Unaudited) (Unaudited)		
Cash flows from operating activities		
Net income from continuing operations	\$ 15,023	\$ 40
Adjustments to reconcile net income (loss) to net cash (provided by) used in operating activities		
Depreciation, depletion and amortization	25	25
Gain on sale of mineral interests	(16,440)	--
Changes in deferred taxes	250	
Changes in operating assets and liabilities		
Interest receivable	82	(54)
Other current and non-current assets	(3)	36
Other assets	--	163
Income taxes payable	1,376	
Accounts payable, accrued and other liabilities	(27)	(210)
	-----	-----
Net cash provided by operating activities	286	--
Cash flows provided by (used in) investing activities		
Proceeds from the sale of mineral rights	23,288	--
Loans to affiliates	(14,032)	--
Deposit paid for the future purchase of oil & gas wells	(5,429)	--
Fixed asset additions	(36)	(23)
	-----	-----
Net cash provided by (used in) investing activities	3,791	(23)
Cash flow provided from (used in) financing activities		

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Proceeds from the issuance of common stock	2,831	--
Payment of notes payable	(6,921)	--
	-----	-----
Net cash used by financing activities	(4,090)	--
Cash flows from discontinued operations		
Cash used by operating	--	(46)
Cash used by financing	--	(22)
	-----	-----
Net cash used in discontinued operations		(68)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(13)	(91)
Cash and cash equivalents at beginning of period	172	324
	-----	-----
Cash and cash equivalents at end of period	\$ 159	\$ 233

The accompanying notes are an integral part of these  
Consolidated Financial Statements.

6

### New Concept Energy, Inc. Notes To Consolidated Financial Statements

#### Note A: Basis of Presentation

On May 21, 2008 the company changed its name from Cabeltel International Corporation to New Concept Energy, Inc. The Company's business plan is to invest and operate in the oil & gas business and the name change is to reflect those objectives.

The accompanying unaudited consolidated financial statements include the accounts of New Concept Energy, Inc. and its majority-owned subsidiaries (collectively, "NCE" or the "Company"). All significant intercompany transactions and accounts have been eliminated. Certain 2007 balances have been reclassified to conform to the 2008 presentation.

The unaudited financial statements included herein have been prepared by the Company without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. The financial statements reflect all adjustments that are, in the opinion of management, necessary to fairly present such information. All such adjustments are of a normal recurring nature. Although the Company believes that the disclosures are adequate to make the information presented not misleading, certain information and footnote disclosures, including a description of significant accounting policies normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America, have been condensed or omitted pursuant to such rules and regulations.

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These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ending December 31, 2007. Operating results for the six month period ended June 30, 2008 are not necessarily indicative of the results that may be expected for any subsequent quarter or for the fiscal year ending December 31, 2008.

### Note B: Business Description

#### Sale of Leases for Mineral Interests

On November 1, 2007, a wholly owned subsidiary of New Concept Energy, Inc. entered into an agreement with Source Rock Energy of Arkansas, LLC, a Nevada limited liability company ("SRA"), a related party, to acquire 1,712 net acres of mineral leasehold interests in four separate sections of land in the Fayetteville Shale area of Arkansas in exchange for the issuance of a promissory note. The acquisition price was \$4,000 per net acre payable on December 31, 2010 with interest at 9.5% per annum. The subsidiary also acquired two separate options to acquire additional leasehold interests of 1,815 net acres and 583 net acres in the same county in Arkansas at the same price of \$4,000 per net acre.

At the time of the acquisition it was the Company's intention, subject to the availability of funds, to develop and drill gas wells on the acreage however an opportunity developed where the Company could sell the mineral rights to an independent third party for cash.

7

On May 9, 2008 the company exercised its options to acquire the additional 2,398 acres and completed a sale of all its 4,112 acres of mineral rights. The company received cash and recorded income before taxes of \$16,440,000.

#### Deposit for oil and gas acquisition

The company is attempting to acquire certain oil and gas interests in the West Virginia and Ohio area from a West Virginia Company that is currently in bankruptcy. If we are successful the acquisition will cost approximately \$12 million. The Company has deposited approximately \$5.4 million with the US Trustee in the bankruptcy matter. If we are not successful approximately \$5.1 million will be recoverable and returned to the Company.

#### Pacific Pointe Retirement Inn

The Company leases and operates a retirement community in King City, Oregon, with a capacity of 114 residents.

#### Gainesville Outlet Mall

The Gainesville Outlet Mall, which the Company acquired in 2003, has incurred both cash and accounting losses since its acquisition. The Company incurred operating losses of \$159,000 at the mall and recorded an impairment loss of \$314,000 in the quarter ended March 31, 2007. Subsequent to March 31, 2007 the Company did not fund any cash shortfalls incurred by the mall. Beginning in April 2007 the operating losses at the mall were funded by an unrelated third party who had guaranteed the bank debt. Effective December 31, 2007, the Company transferred all of its ownership in the mall and approximately 40 acres of



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undeveloped land to the unrelated third party.

### Note C: Short-Term Note Receivable - Related Party

The Company has been developing a program to acquire and develop acreage and drill gas wells in the Fayetteville, Arkansas area and has been raising cash to achieve its objectives. Until such time as the funds are needed the Company has invested the funds in short term notes with related parties.

In July 2006, the Company made an unsecured \$1,377,000 loan to Eurenergy Resources Corporation (a company that is 20% owned by an entity deemed to be related to NCE). The loan has an annual interest rate of 8% with principal and interest payable within 30 days after demand, and if not sooner demanded, on July 17, 2007. Effective July 17, 2007 the existing accrued interest was added to the principal balance, which increased the principal balance to \$1,487,160, and the maturity date was extended to July, 17, 2009. All other terms of the note remain the same. As of June 30, 2008, the principal and interest due totaled \$1,595,959.

In November 2007, the Company made an unsecured \$630,000 loan to Prime Income Asset Management, Inc., a related party. The loan has an annual interest rate of 8 1/2 % with principal and interest payable within 30 days after demand. As of June 30, 2008, principal and interest due totaled \$663,171.

On March 18, 2008, the Company sold 950,000 shares of common stock to a related party for \$2,850,000 after expenses.

8

The Company made an unsecured \$2,800,000 loan to Prime Income Asset Management, Inc., a related party. The loan has an annual interest rate of prime plus two percent with principal and interest payable within 30 days after demand, and if not sooner demanded, on March 6, 2009. As of June 30, 2008, principal and interest due totaled \$2,883,981.

On May 9, 2008 the Company made a \$16,432,000 unsecured loan to Prime Income Asset Management, a related party. The note is payable on demand and bears interest at prime rate, as published in The Wall Street Journal, plus two percent. On May 28, 2008, Prime repaid \$5,200,000 of the note leaving a balance of \$11,232,000 owed the Company. The Company used the repayment as a deposit on a potential acquisition in the oil and gas industry.

### Note D: Discontinued Operations

The operation of the Gainesville outlet mall has been reflected as a discontinued operation in 2007. (See Note B).

	Six Months Ended June 30, 2007 -----
Discontinued Operations	
Revenue	\$ 542
Operating Expenses	663

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Operating loss	(121)
Income (Expense)	
Interest expense	(78)
Other income	40
Loss from continuing operations	(159)
Loss on sale of assets	(314)
Net loss on discontinued operations	\$ (473)

Note E: Contingencies

The Company is involved in various lawsuits arising in the ordinary course of business. Management is of the opinion that the outcome of these lawsuits will have no material impact on the Company's financial condition, results of operations or liquidity.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS  
OF OPERATIONS

Critical Accounting Policies and Estimates

The Company's discussion and analysis of its financial condition and results of operations are based upon the Company's Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America. Certain of the Company's accounting policies

9

require the application of judgment in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. These judgments and estimates are based upon the Company's historical experience, current trends and information available from other sources that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The Company believes the following critical accounting policies are more significant to the judgments and estimates used in the preparation of its consolidated financial statements. Revisions in such estimates are recorded in the period in which the facts that give rise to the revisions become known.

The Company's allowance for doubtful accounts receivable and notes receivable is based on an analysis of the risk of loss on specific accounts. The analysis

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places particular emphasis on past due accounts. Management considers such information as the nature and age of the receivable, the payment history of the tenant, customer or other debtor and the financial condition of the tenant, customer or other debtor. Management's estimate of the required allowance, which is reviewed on a quarterly basis, is subject to revision as these factors change.

### Deferred Tax Assets

Significant management judgment is required in determining the provision for income taxes, deferred tax assets and liabilities and any valuation allowance recorded against net deferred tax assets. The future recoverability of the Company's net deferred tax assets is dependent upon the generation of future taxable income prior to the expiration of the loss carry forwards. The Company has established a full valuation reserves for its existing deferred tax assets.

### Liquidity and Capital Resources

At June 30, 2008, the Company had current assets of \$16.3 million and current liabilities of \$1.7 million.

Cash and cash equivalents at June 30, 2008 were \$159,000, as compared to \$172,000 at December 31, 2007.

Net cash provided from operating activities was \$286,000 for the six months ended June 30, 2008. During the six-month period, the Company had a net income of \$15.0 million.

Net cash provided from investing activities was \$3.8 million for the six months ended June 30, 2008, consisting of proceeds from the sale of mineral rights in Arkansas of \$23 million reduced by a short term loan to an affiliate of \$14 million and a deposit for the acquisition of oil and gas interests of \$5.4 million and the purchase of \$36,000 of equipment at the Company's retirement community.

Net cash used in financing activities was \$4.1 million for the six months ended June 30, 2008, consisting of net funds raised from the sale of 950,000 shares of common stock of \$2.8 million less the payment of \$6.9 million of notes payable principally due to the sale of certain mineral rights.

10

### Results of Operations

The Company reported net income of \$15.0 million for the three and six months ended June 30, 2008, as compared to a net loss of \$6,000 and \$433,000 for the same periods in 2007.

For the three and six months ended June 30, 2008, the Company recorded revenues of \$699,000 and \$1.4 million from its retirement property compared to \$761,000 and \$1.5 million for the same periods in 2007. The Company's retirement property is fully occupied and it is anticipated that it will remain so during 2008.

For the three and six months ended June 30, 2008, operating expenses and lease expense at the retirement property were \$550,000 and \$1.1 million as compared to \$543,000 and \$1.1 million for the same periods in 2007.

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For the three and six months ended June 30, 2008, corporate general & administrative expenses were \$264,000 and \$525,000 as compared to \$251,000 and \$474,000 for the same periods in 2007.

For the three and six months ended June 30, 2008, interest income was \$198,000 and \$250,000 compared to \$27,000 and \$111,000 for the same periods in 2007. The increases are due to the Company's increased investment in interest bearing notes.

The Company recorded interest expense for the three and six months ended June 30, 2008, of \$68,000 and \$230,000 as compared to no interest expense for the same periods in 2007. A wholly owned subsidiary of the Company purchased leasehold interests in November 2007 in approximately 1,712 acres of land in the Fayetteville Shale area of Arkansas in exchange for a \$6.8 million note with interest at 9.5% per annum.

Other income was \$148,000 and \$412,000 for the three and six months ended June 30, 2008, as compared to no other income and \$10,000 for the same periods in 2007. The increase in the period ended March 31, 2008 was principally due to the collection of back interest from a mortgage bond receivable due to the sale of a property in August 2001. Because the mortgage bond was payable based on cash flow and profit of the property, the uncollected interest was not recorded until collected. The increase during the three months ended June 30, 2008 was principally due to the collection of a note that was previously written off.

### Forward Looking Statements

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: A number of the matters and subject areas discussed in this filing that are not historical or current facts deal with potential future circumstances, operations and prospects. The discussion of such matters and subject areas is qualified by the inherent risks and uncertainties surrounding future expectations generally, and also may materially differ from the Company's actual future experience involving any one or more of such matters and subject areas relating to interest rate fluctuations, the ability to obtain adequate debt and equity financing, demand, pricing, competition, construction, licensing, permitting, construction delays on new developments, contractual and licensure, and other delays on the disposition, transition, or restructuring of currently or previously owned, leased or managed properties in the Company's portfolio, and the ability of the Company to continue managing its costs and cash flow while maintaining high occupancy rates and market rate charges in its retirement community. The Company has attempted to identify, in context, certain of the factors that it currently believes may cause actual future experience and results to differ from the Company's current expectations regarding the relevant matter of subject area. These and other risks and uncertainties are detailed in the Company's reports filed with the Securities and Exchange Commission ("SEC"), including the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

### Inflation

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The Company's principal source of revenue is rents from a retirement community and fees for services rendered. The real estate operation is affected by rental rates that are highly dependent upon market conditions and the competitive environment in the areas where the property is located. Compensation to employees and maintenance are the principal cost elements relative to the operation of this property. Although the Company has not historically experienced any adverse effects of inflation on salaries or other operating expenses, there can be no assurance that such trends will continue or that, should inflationary pressures arise, the Company will be able to offset such costs by increasing rental rates in its real estate operation.

### Environmental Matters

The Company has conducted environmental assessments on most of its existing owned or leased properties. These assessments have not revealed any environmental liability that the Company believes would have a material adverse affect on the Company's business, assets or results of operations. The Company is not aware of any such environmental liability. The Company believes that all of its properties are in compliance in all material respects with all federal, state and local laws, ordinances and regulations regarding hazardous or toxic substances or petroleum products. The Company has not been notified by any governmental authority and is not otherwise aware of any material non-compliance, liability or claim relating to hazardous or toxic substances or petroleum products in connection with any of its communities.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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#### Interest Rate Risk

At June 30, 2008, the Company has no debt, other than normal accounts payable and therefore, the Company has no exposure due to interest rate risk.

12

### ITEM 4. CONTROLS AND PROCEDURES

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As required by Rule 13(a)-15(b), the Company's management, including the principal executive officer, chief financial officer and principal accounting officer, conducted an evaluation as of the end of the period covered by this Report, of the effectiveness of the Company's disclosure controls and procedures as defined in Exchange Act Rule 13(a)-15(e). Based on that evaluation, the chief executive officer and the chief financial officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this Report. As required by Rule 13(a)-15(d), the Company's management, including the chief executive officer, chief financial officer and principal accounting officer, also conducted an evaluation of the Company's internal controls over financial reporting to determine whether any changes occurred in the first fiscal quarter that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting. Based on that evaluation, there has been no such change during the first fiscal quarter.

It should be noted that any system of controls, however well designed and operated, can only provide reasonable and not absolute assurance that the

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objectives of the system will be met. In addition, the design of any control system is based, in part, on certain assumptions about the likelihood of future events.

PART II: OTHER INFORMATION

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the period of time covered by this Report, New Concept Energy, Inc. did not repurchase any of its equity securities under any formal repurchase plan. The following table sets forth a summary for the quarter, indicating no repurchases were made under a formal program and that, at the end of the period covered by this Report, no specified number of shares may yet be repurchased under any program in place.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Maxim Number Shares t Yet be P Under Progr
Balance as of March 31, 2008....	--	--	--	--
April 1-30, 2008.....	--	--	--	--
May 1-31, 2008.....	--	--	--	--
June 1-30, 2008 .....	--	--	--	--

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Total ..... -- -- -- --

(a) As a courtesy to stockholders of less than 100 shares and to relieve such stockholders of having to pay a broker's commission, the Company, although not obligated to do so, has periodically repurchased its common stock at the then most recent closing price of the Company's common stock on the last trading day before the stock certificate(s) is (are) actually received by the Company from the stockholder. The number of such shares purchased in any period of time has been minimal. Four shares were purchased during the quarter ended June 30, 2008.

### ITEM 6. EXHIBITS

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The following exhibits are filed herewith or incorporated by reference as indicated below.

Exhibit Designation	Exhibit Description
3.1	Articles of Incorporation of Medical Resource Companies of America (incorporated by 3.1 reference to Exhibit 3.1 to Registrant's Form S-4 Registration Statement No. 333-55968 dated December 21, 1992)
3.2	Amendment to the Articles of Incorporation of Medical Resource Companies of America (incorporated by reference to Exhibit 3.5 to Registrant's Form 8-K dated April 1, 1993)
3.3	Restated Articles of Incorporation of Greenbriar Corporation (incorporated by reference to Exhibit 3.1.1 to Registrant's Form 10-K dated December 31, 1995)
3.4	Amendment to the Articles of Incorporation of Medical Resource Companies of America (incorporated by reference to Exhibit to Registrant's PRES 14-C dated February 27, 1996)
3.5	Bylaws of Registrant (incorporated by reference to Exhibit 3.2 to Registrant's Form S-4 Registration Statement No. 333-55968 dated December 21, 1992)
3.6	Amendment to Section 3.1 of Bylaws of Registrant adopted October 9, 2003 (incorporated by reference to Exhibit 3.2.1 to Registrant's Form S-4 Registration Statement No. 333-55968 dated December 21, 1992)
3.7	Certificate of Decrease in Authorized and Issued Shares effective November 30, 2001 (incorporated by reference to Exhibit 2.1.7 to Registrant's Form 10-K dated December 31, 2002)

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- 3.8 Certificate of Designations, Preferences and Rights of Preferred Stock dated May 7, 1993 relating to Registrant's Series B Preferred Stock (incorporated by reference to Exhibit 4.1.2 to Registrant's Form S-3 Registration Statement No. 333-64840 dated June 22, 1993)
- 3.9 Certificate of Voting Powers, Designations, Preferences and Rights of Registrant's Series F Senior Convertible Preferred Stock dated December 31, 1997 (incorporated by reference to Exhibit 2.2.2 of Registrant's Form 10-KSB for the fiscal year ended December 31, 1997)
- 3.10 Certificate of Voting Powers, Designations, Preferences and Rights of Registrant's Series G Senior Non-Voting Convertible Preferred Stock dated December 31, 1997 (incorporated by reference to Exhibit 2.2.3 of Registrant's Form 10-KSB for the fiscal year ended December 31, 1997)
- 3.11 Certificate of Designations dated October 12, 2004 as filed with the Secretary of State of Nevada on October 13, 2004 (incorporated by reference to Exhibit 3.4 of Registrant's Current Report on Form 8-K for event occurring October 12, 2004)
- 3.12 Certificate of Amendment to Articles of Incorporation effective February 8, 2005 (incorporated by reference to Exhibit 3.5 of Registrant's Current Report on Form 8-K for event occurring February 8, 2005)
- 3.13 Certificate of Amendment to Articles of Incorporation effective March 21, 2007 (incorporated by reference to Exhibit 3.13 of Registrant's Current Report on Form 8-K for event occurring March 21, 2005)
- 31.1\* Certification pursuant to Rule 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended, of Principal Executive Officer and Chief Financial Officer
- 32.1\* Certification of Principal Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. ss.1350

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\*Filed herewith.

15

SIGNATURES  
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Pursuant to the requirements of the Securities and Exchange Act of 1934, Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

New Concept Energy, Inc.



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Date: August 13, 2008

By: /s/ Gene S. Bertcher

-----  
Gene S. Bertcher, Principal Executive  
Officer, President and Chief Financial  
Officer