

Siberian Energy Group Inc.
Form 10-Q
June 22, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2011

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT

For the transition period from _____ to _____

Commission file number: 000-53766

(Exact name of registrant as specified in its charter)

NEVADA 52-2207080
(State or other (IRS
jurisdiction of Employer
incorporation Identification
or No.)
organization)

330 Madison Ave, 6th Floor, New York, New York 10017
(Address of principal executive offices)

(212) 828-3011
(Registrant's telephone number)

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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, and accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

As of June 20, 2011, the issuer had 67,367,659 shares of common stock, \$0.001 par value per share outstanding, which number does not include 715 shares which the registrant has agreed to issue to its President, Helen Teplitskaia for services rendered during the months of January through May 2011.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING
FIRM

The Board of Directors and Stockholders
Siberian Energy Group Inc.

We have reviewed the condensed consolidated balance sheet of Siberian Energy Group Inc. (a development stage company) as of March 31, 2011, and the related condensed consolidated statements of operations, stockholders' equity, and cash flows for the three months ended March 31, 2011 and 2010, and the cumulative period of development stage activity (January 1, 2003 through March 31, 2011). These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with the standards of the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with standards of the Public Company Accounting Oversight Board (United States), the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheet of Siberian Energy Group Inc. as of December 31, 2010, and the related consolidated statements of operations, stockholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated April 15, 2011, we expressed an unqualified opinion on those financial statements with an explanatory paragraph describing conditions that raised substantial doubt about the Company's ability to continue as a going concern. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 2010 is fairly stated, in all material respects, in relation to the balance sheet from which it has been derived.

Lumsden & McCormick, LLP
Buffalo, New York
June 21, 2011

SIBERIAN ENERGY GROUP INC. (A Development Stage Company)

Condensed Consolidated Balance Sheets	(Unaudited)	
	March 31, 2011	December 31, 2010
Assets		
Current assets:		
Cash	\$450	\$467
Prepaid expenses and other	226	8,810
	676	9,277
Investment in ZNG, Ltd., at equity	-	-
Investment in KNG, at equity	-	-
Oil and gas properties, unproved	-	-
Property and equipment, net	-	623
	\$676	\$9,900
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable:		
Related party - stockholders	\$172,027	\$125,631
Related party - Baltic Petroleum, interest at 14%	76,425	74,926
Others	50,753	20,017
Accrued payroll	221,166	147,766
	520,371	368,340
Stockholders' equity:		
Preferred stock - 10,000,000 shares, \$.001 par value	-	-
Common stock - authorized 100,000,000 shares, \$.001 par value 667,659 issued and outstanding	668	668
Additional paid-in capital	15,756,738	15,756,738
Accumulated deficit		
Pre-development stage	(449,785)	(449,785)
Development stage	(15,813,226)	(15,651,971)
Accumulated other comprehensive loss	(14,090)	(14,090)
	(519,695)	(358,440)
	\$676	\$9,900

See accompanying notes.

SIBERIAN ENERGY GROUP INC. (A Development Stage Company)

Condensed Consolidated Statements of Operations

			For the cumulative period of Development Stage Activity- January 1, 2003 through March 31, 2011
For the three months ended March 31,	2011	2010	
Revenues and other income:			
Management fees from joint venture	\$-	\$-	\$ 1,135,000
Gain from entrance into joint venture	-	-	364,479
Other	-	-	6,382
Total revenues and other income	-	-	1,505,861
Expenses:			
Salaries	73,400	81,800	4,208,258
Professional and consulting fees	72,471	60,151	5,396,242
Rent and occupancy	-	-	237,498
Depreciation			