

Blackbird Petroleum Corp  
Form 10-Q  
June 22, 2009

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**Form 10-Q**

(Mark One)

**R QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF  
1934**

**For the quarterly period ended April 30, 2009**

**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 001-15751**

**BLACKBIRD PETROLEUM CORPORATION**

*(Exact name of registrant as specified in its charter)*

**Nevada**

**20-5965988**

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*(State or other jurisdiction of  
incorporation or organization)*

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

**1630 York Avenue**

**Main Floor**

**New York, New York 10028**

*(Address of principal executive offices)*

**(212) 3159705**

*(Registrant's telephone number, including area code)*

**Securities registered pursuant to Section 12(b) of the Act: None**

**Securities registered pursuant to Section 12(g) of the Act: Common Stock, \$.001 Par Value Per Share**

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 R 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 and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer £

Accelerated filer £

Non-accelerated filer £

Smaller reporting company R

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

The number of shares of common stock outstanding as of June 14, 2009 was 70,000,000

**BLACKBIRD PETROLEUM CORPORATION**

**Form 10-Q**

**For the Quarter ended April 30, 2009**

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**SIGNATURES**

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**BLACKBIRD PETROLEUM CORP**  
**FORMERLY ARK DEVELOPMENT, INC.**  
**(AN EXPLORATION STAGE COMPANY)**

**BALANCE SHEETS**

**FOR THE SIX MONTH PERIOD ENDED April 30, 2009**

**AND THE YEAR ENDED OCTOBER 31, 2008**

**(Unaudited)**

**ASSETS**

**Apr 30,  
2009**

**Oct 31,  
2008**

**Current Assets:**

Cash	\$	-	\$	757
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**Total Assets** \$ - \$ 757

**LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)**

**Current Liabilities:**

Accounts payable	<b>9,482</b>	-
Loan from related party	<b>3,035</b>	-
<b>Total Current Liabilities</b>	<b>12,517</b>	-

**Stockholders' Equity (Deficit):**

Preferred stock, \$.001 par value; authorized 5,000,000, none issued	-	-
Common stock, \$.001 par value; 70,000,000 shares authorized		
9,850,000 shares issued and outstanding	<b>9,850</b>	<b>9,850</b>
Additional paid in capital	<b>221,650</b>	<b>221,650</b>
Stock subscription receivable	-	-
Accumulated deficit	<b>(244,017)</b>	<b>(230,743)</b>
<b>Total Stockholders' Equity (Deficit)</b>	<b>(12,517)</b>	<b>757</b>

<b>Total Liabilities and Stockholders' Equity (Deficit)</b>	<b>\$ -</b>	<b>\$ 757</b>
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See attached notes

**BLACKBIRD PETROLEUM CORPORATION****(AN EXPLORATION STAGE COMPANY)****STATEMENTS OF OPERATIONS****FOR THE THREE AND SIX MONTH PERIODS ENDED APRIL 30, 2009 AND 2008****AND FOR THE PERIOD FROM OCTOBER 9, 2006 (INCEPTION)****THROUGH APRIL 30, 2009****(UNAUDITED)**

	For the quarter ended Apr 30, 2009	For the quarter ended Apr 30, 2008	For the six months ended Apr 30, 2009	For the six months ended Apr 30, 2008	From October 9, 2006 (Date of inception to Apr 30, 2009)
<b>Revenue:</b>	\$ -		\$ -		\$ -
<b>Total Revenue</b>	-	-	-	-	
<b>Operating Expenses:</b>					
Exploration costs	-	-	-	-	1
General & administrative	-	13,298	13,274	15,127	
<b>Total Operating Expenses</b>	-	13,298	13,274	15,127	2
<b>NET LOSS</b>	\$ -	\$ (13,298)	\$ (13,274)	\$ (15,127)	\$ (24,424)
<b>Weighted Average Shares Common Stock Outstanding</b>	9,850,000	4,850,000	9,850,000	4,850,000	
<b>Net Loss Per Share</b>	\$ -				

<b>(Basic and Fully Dilutive)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
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**BLACKBIRD PETROLEUM CORP**

**(AN EXPLORATION STAGE COMPANY)**

**STATEMENTS OF CASH FLOWS**

**FOR THE THREE AND SIX MONTH PERIODS ENDED APRIL 30, 2009 AND 2008**

**AND FOR THE PERIOD FROM OCTOBER 9, 2006 (INCEPTION)**

**THROUGH APRIL 30, 2009**

**(UNAUDITED)**

**For the  
quarter  
ended Apr 30,**

**For the  
quarter  
ended Apr 30,**

**For the  
six months  
ended Apr 30,**

**For the  
six months  
ended Apr 30,**

**From  
October 9, 2006  
(Date of incep**



	2009	2008	2009	2008	to Apr 30, 2008
<b>Cash Flows Used in Operating Activities:</b>					
Net Loss	\$ -	\$ (13,298)	\$ (13,274)	\$ (15,127)	\$ (15,127)
Adjustments to reconcile net (loss) to net cash provided by operating activities:					
Issuance of stock for services rendered	-	-	-	-	-
Issuance of stock for Lease Interests	-	-	-	-	-
Accounts payable	(3,035)		12,517		
Related party loan	3,035	-		-	
<b>Net Cash Used in Operating Activities</b>	<b>-</b>	<b>(13,298)</b>	<b>(757)</b>	<b>(15,127)</b>	<b>(15,127)</b>
<b>Cash Flows from Investing Activities:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flows from Financing Activities:</b>					
Payment of stock subscription				4,000	
Issuance of common stock for cash	-	-	-	-	

<b>Net Cash Provided by Financing Activities</b>	-	-	-	<b>4,000</b>
<b>Net Increase (Decrease) in Cash</b>	-	<b>(13,298)</b>	<b>(757)</b>	<b>(11,127)</b>
<b>Cash at Beginning of Period</b>	-	<b>15,655</b>	<b>757</b>	<b>13,484</b>
<b>Cash at End of Year \$</b>	- \$	<b>2,357 \$</b>	- \$	<b>2,357 \$</b>
<b>Non-Cash Investing &amp; Financing Activities</b>				
Issuance of stock for management services rendered	\$	-	\$	- \$
Issuance of stock for Lease Interests \$	- \$	- \$	- \$	- \$
Issuance of stock for Sock subscription receivable \$	- \$	- \$	- \$	- \$

**SEE ATTACHED NOTES**

**BLACKBIRD PETROLEUM CORP**

(AN EXPLORATION STAGE COMPANY)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIT)

FROM October 9, 2006 (DATE OF INCEPTION) TO January 31, 2009

(Unaudited)

	Preferred Stock 5,000,000 shares authorized	Common Stock 70,000,000 shares authorized					Deficit  accumulated
	Par Value	Share	Par Value	Paid in	Subscription	Deficit	
Shares Issued	\$.001 per share	Issued share	\$.001 per share	Capital	Receivable	during Exploration Stage	Total
	\$		\$	\$	\$	\$	\$
	-	-	-	-	-	-	\$ -
Issuance of common stock in exchange for services at \$.01 per share October 2006		500,000	500	4,500			5,000
Net loss						(5,000)	(5,000)
	-	500,000	500	4,500		(5,000)	-
Issuance of common stock for cash at \$.01 per share December 2006		650,000	650	5,850			6,500
Issuance of common stock in exchange for Lease at		500,000	500	4,500			5,000

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\$.01 per share				
January 2007				
Issuance of common stock for cash and stock	600,000	6005,400	(4,000)	2,000
subscription receivable at \$.01 per share				
February 2007				
Issuance of common stock for cash at \$.01 per share	450,000	4504,050		4,500
March 2007				
Issuance of common stock for cash at \$.01 per share	100,000	100	900	1,000
April 2007				
Issuance of common stock for cash at \$.01 per share	1,700,000	1,7005,300		17,000
May 2007				
Issuance of common stock for cash at \$.01 per share	200,000	2001,800		2,000
June 2007				
Issuance of common stock for cash at \$.03 per share	150,000	1504,350		4,500
July 2007				
Net loss			(29,016)	(29,016)
	4,850,000	4,8506,650	(4,000)	13,484
			(29,016)	
Receipt of Subscription Receivable			4,000	4,000
December 2007				
Issuance of common stock for participation agreement	5,000,000	5,0005,000		180,000

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valued at \$0.036  
per share October  
20, 2008

Net loss		(196,727)	(196,727)
	9,850,000	(230,743)	757
Net loss		(13,274)	(13,274)
	9,850,000	(244,017)	(12,517)

**BLACKBIRD PETROLEUM CORPORATION**

**FORMERLY ARK DEVELOPMENT, INC.**

**(AN EXPLORATION STAGE COMPANY)**

**NOTES TO THE FINANCIAL STATEMENTS**

**APRIL 30, 2009**

**NOTE 1 NATURE OF BUSINESS AND BASIS OF PRESENTATION**

Blackbird Petroleum Corporation (the Company) was incorporated under the laws of the State of Nevada on October 9, 2006 under the name of Ark Development, Inc. The Company changed its name from Ark Development, Inc. to Blackbird Petroleum Corporation on November 28, 2008. The Company's activities to date have been limited to organization and capital formation. The Company is an exploration stage company and has acquired oil and gas leases and participation interests for exploration and formulated a business plan to investigate the possibilities of a viable mineral deposit. The Company has adopted October 31 as its fiscal year end.

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in US dollars.

The accompanying unaudited financial statements included herein have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions to Form 10-QSB and Item 310(b) of Regulation S-B. They do not include all information and notes required by generally accepted accounting principles for complete financial statements. However, except as disclosed herein, there has been no material change in the information disclosed in the notes to financial statements included in the report on Form SB-2 of Ark Development, Inc. for the year ended October 31, 2008. In the opinion of management, all adjustments considered necessary for a fair presentation of the results for the interim periods have been made and are of a normal, recurring nature. Operating results for the three months ended April 30, 2009 and 2008 are not necessarily indicative of the results that may be expected for any interim period or the entire year. For further information, these financial statements and the related notes should be read in conjunction with the Company's audited financial statements for the year ended October 31, 2008 included in the Company's report on Form 10K.

**NOTE 2 NATURE OF SIGNIFICANT ACCOUNTING POLICIES**

**CASH AND CASH EQUIVALENTS**

The Company considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

**REVENUE RECOGNITION**

The Company considers revenue to be recognized at the time the service is performed.

**USE OF ESTIMATES**

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from

these estimates.

#### FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's short-term financial instruments consist of cash and cash equivalents and accounts payable. The carrying amounts of these financial instruments approximate fair value because of their short-term maturities.

Financial instruments that potentially subject the Company to a concentration of credit risk consist principally of cash. During the year the Company did not maintain cash deposits at financial institution in excess of the \$100,000 limit covered by the Federal Deposit Insurance Corporation. The Company does not hold or issue financial instruments for trading purposes nor does it hold or issue interest rate or leveraged derivative financial instruments.

#### EARNINGS PER SHARE

Basic Earnings per Share (EPS) is computed by dividing net income available to common stockholders by the weighted average number of common stock shares outstanding during the year. Diluted EPS is computed by dividing net income available to common stockholders by the weighted-average number of common stock shares outstanding during the year plus potential dilutive instruments such as stock options and warrants. The effect of stock options on diluted EPS is determined through the application of the treasury stock method, whereby proceeds received by the Company based on assumed exercises are hypothetically used to repurchase the Company's common stock at the average market price during the period. Loss per share is unchanged on a diluted basis as the Company does not have any common stock equivalents outstanding as of April 30, 2009.

#### INCOME TAXES

The Company uses the asset and liability method of accounting for income taxes as required by SFAS No. 109

Accounting for Income Taxes. SFAS 109 requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax basis of certain assets and liabilities. Deferred income tax assets and liabilities are computed annually for the difference between the financial statement and tax bases of assets and liabilities that will result in taxable or deductible amounts in the future, based on enacted tax laws and rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense is the tax payable or refundable for the period, plus or minus the change during the period in deferred tax assets and liabilities.

Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods. Deferred taxes are classified as current or non-current, depending on the classification of the assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse. As of April 30, 2009, the Company had a net operating loss carryforward of \$244,017. The related deferred tax asset of approximately \$85,400 has been fully offset by a valuation allowance due to the uncertainty of the Company being able to realize the benefit in future years.

#### CONCENTRATION OF CREDIT RISK

The Company does not have any concentration of financial credit risk.

#### RECENT ACCOUNTING PRONOUNCEMENTS

The Company does not expect that the adoption of other recent accounting pronouncements will have a material impact to its financial statements.

### **NOTE 3 OIL AND GAS LEASE AND OIL AND GAS PARTICIPATION INTERESTS**

The Company entered into the purchase of an oil & gas lease located in Palo Pinto County, Texas on January 3, 2007. This lease was acquired from a Company engaged in the exploration and development of oil and gas properties. The Company purchased this lease by issuing 500,000 shares of common stock valued at \$.01 per share and by payment of cash in the amount of \$ 5,000 for a total purchase price of \$ 10,000. After the acquisition of this lease, management performed an impairment test to determine the carrying value of this oil and gas lease. Management determined that there was no reasonable method to value the claims and has impaired the cost of this lease and recorded the expense during the period ended October 31, 2007. This amount has been reflected in the statement of operations as impairment of oil and gas property.

On October 20, 2008, the Company purchased an interest in two participation agreements from the Company's Chief Executive Officer. The Company issued 15,000,000 shares of its common stock valued at \$.012 per share for an aggregate value of \$180,000 in exchange for these interests. The interests provide the Company oil and gas drilling rights in the Kahntah area of Northeast British Columbia. Management determined that there was no reasonable method to value these oil and gas participation interests and has impaired the cost of these interests during the year ended October 31, 2008. This amount has been reflected in the statement of operations as an impairment of oil and gas interests. One of the participation agreements requires the Company to make an additional payment of approximately \$1,148,000 on or before January 1, 2009 to preserve the drilling rights outlined in the agreement. The Company has not made this required payment.

### **NOTE 4 COMMON STOCK**

The Company issued 1,500,000 shares of its common stock in October 2006 in exchange for services rendered, valued at \$5,000.

During the year ended October 31, 2007 the Company issued 10,350,000 shares of its common stock in exchange for cash. 9,900,000 of these shares were valued at \$.0033 and 450,000 of these shares were valued at \$.01 for total aggregate cash received of \$37,500.

Also, during the year ended October 31, 2007, the Company issued 1,200,000 shares of common stock under stock subscription agreements, at \$.0033 per share, for an aggregate value of \$4,000. These amounts are recorded as stock subscription receivables in the financial statements.

On December 4, 2007 the Company received \$4,000 as payment for a stock subscription issued in the prior period.

On November 5, 2008, the Board of Directors of the Company approved a stock dividend, whereby two shares of common stock of the Company was issued for every one share of common stock. The record date for the stock dividend was established as November 25, 2008 and the stock dividend was issued on December 5, 2008. The stock dividend has been retroactively recorded in the financial statements of the Company as if the stock dividend had occurred at the inception of the Company.

### **NOTE 5 GOING CONCERN**

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As shown in the accompanying financial statements, the Company has no sales and has incurred a net loss of



\$244,017 since inception. The future of the Company is dependent upon its ability to obtain financing and upon future profitable operations from the development of its mineral properties. Management has plans to seek additional capital through a private placement and public offering of its common stock. The financial statements do not include any adjustments relating to the recoverability and classifications of recorded assets, or the amounts of and the classification of liabilities that might be necessary in the event the Company cannot continue in existence.

#### **NOTE 6 SUBSEQUENT EVENT**

On February 25, 2009, the Company entered into a Letter of Intent ( LOI ) with Black Goose Holdings, Inc. ( Black Goose ) of Calgary, Alberta, Canada. The LOI addresses the terms and conditions for the purchase of the business assets of Black Goose including, among other things:

1.

Approximately thirty-two thousand acres of oil and gas exploration leases in northern British Columbia and Alberta, complete with seismic exploration and projected drilling locations for over twenty prospective wells;

2.

The entire Black Goose seismic data;

3.

Black Goose intellectual property and/or contractual relationships and all Black Goose modeling, including related flow-through drilling and/or acquisition opportunities.

In return, the Company will pay Black Goose twenty percent (20%) of net income resulting from activities relating to the assets acquired from Black Goose as well as a payment of CDN \$520,000 (approximately us\$400,000) to deliver all of the assets free and clear of all liens, security interests, and encumbrances. Black Goose will also provide current audited financial statements

### **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

#### **Statement of Forward-Looking Information**

In this quarterly report, references to "Blackbird Petroleum Corporation," "Blackbird," "the Company," "we," "us," and "our" refer to Blackbird Petroleum Corporation.

Except for the historical information contained herein, some of the statements in this Report contain forward-looking statements that involve risks and uncertainties. These statements are found in the sections entitled "Management's Discussion and Analysis or Plan of Operations" and "Risk Factors." They include statements concerning: our business strategy; expectations of market and customer response; liquidity and capital expenditures; future sources of revenues; expansion of our proposed product line; and trends in industry activity generally. In some cases, you can identify forward-looking statements by words such as "may," "will," "should," "expect," "plan," "could," "anticipate," "intend," "believe," "estimate," "predict," "potential," "goal," or "continue" or similar terminology. These statements

are only predictions and involve known and unknown risks, uncertainties and other factors, including, but not limited to, the risks outlined under "Risk Factors," that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. For example, assumptions that could cause actual results to vary materially from future results include, but are not limited to: our ability to successfully develop and market our products to customers; our ability to generate customer demand for our products in our target markets; the development of our target markets and market opportunities; our ability to manufacture suitable products at competitive cost; market pricing for our products and for competing products; the extent of increasing competition; technological developments in our target markets and the development of alternate, competing technologies in them; and sales of shares by existing shareholders. Although we believe that the expectations reflected in the forward looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Unless we are required to do so under federal securities laws or other applicable laws, we do not intend to update or revise any forward-looking statements.

### **Managements discussion and Plan of Operations**

We were incorporated in the State of Nevada on October 19, 2006 under the name Ark Development, Inc. We created a wholly owned corporate subsidiary in Nevada on October 29, 2008. On November 26, 2008 we merged with the subsidiary, Blackbird Petroleum Corporation. The surviving corporation is governed by the by-laws of Ark Development, Inc. We amended the articles of incorporation of the surviving corporation to change our name to Blackbird Petroleum Corporation.

Our Company focuses on exploration, acquisition, development and production of oil and natural gas reserves in Western Canada. Our business strategy is to economically increase reserves, production, and the sale of natural gas and oil from existing and acquired properties in Western Canada in order to maximize shareholders' return over the long term.

In October 2008, the company entered into an agreement with Antonio Treminio, our Chairman and Chief Executive Officer, pursuant to which Mr. Treminio sold his interest in two agreements with Black Goose to the Company in exchange for 15,000,000 shares of the Company's common stock. The Kahtah Participation Agreement granted us the right to participate in acquisitions of drilling rights to 13,000 acres in the Kahntah area of Northeast British Columbia for lands in Redeye, Lapp and Pedigree. The South Adsett Participation Agreement granted us the right to participate in drilling in 28,000 acres in the South Adsett area of British Columbia. We are now focused on exploration, acquisition, development and production of oil and natural gas reserves in Western Canada. Our business strategy is to economically increase reserves, production, and the sale of natural gas and oil from existing and acquired properties in Western Canada in order to maximize shareholders' return over the long term.

We expect to generate long-term reserve and production growth through drilling activities and further acquisitions. Our expansion will include exploration, land acquisition, and production of oil and gas as well as asset and corporate acquisitions. We believe that our management's experience and expertise will enable us identify,

evaluate, and develop oil and natural gas projects. We intend to acquire additional producing oil and gas property rights where we believe significant additional value can be created.

## **CRITICAL ACCOUNTING POLICIES**

The Securities and Exchange Commission ("SEC") defines "critical accounting policies" as those that require application of 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 and may change in subsequent periods. Not all of the accounting policies require management to make difficult, subjective or complex judgments or estimates. However, the following policies could be deemed to be critical within the SEC definition.

### **Revenue Recognition**

Revenue is recognized when products are shipped to customers, net of allowances for anticipated returns. The Company's revenue-earning activities generally involve delivering products and revenues are considered to be earned when the Company has completed the process by which it is entitled to such revenues. Revenue is recognized when persuasive evidence of an arrangement exists, delivery has occurred, selling price is fixed or determinable and collection is reasonably assured. The Company defers revenue recognition on products sold directly to the consumer with a fifteen day right of return. Revenue is recognized upon the expiration of the right of return.

The Company also earns revenues from certain R&D activities under both firm fixed-price contracts and cost-type contracts, including some cost-plus-fee contracts. Revenues on firm fixed-price contracts are recognized as costs are incurred (cost-to-cost basis). Revenues on cost-plus-fee contracts include costs incurred plus a portion of estimated fees or profits based on the relationship of costs incurred to total estimated costs. Contract costs include all direct material and labor costs and an allocation of allowable indirect costs as defined by each contract, as periodically adjusted to reflect revised agreed upon rates. These rates are subject to audit by the other party.

### **Use of Estimates**

In accordance with accounting principles generally accepted in the United States of America, management utilizes certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an on-going basis, management evaluates its estimates and judgments. Management bases its estimates and judgments on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

### **Fair Value of Financial Instruments**

The Company's cash, cash equivalents, accounts receivable, short-term investments, accounts payable and debt are shown at cost which approximates fair value due to the short-term nature of these instruments.

### **NEW ACCOUNTING PRONOUNCEMENTS**

The Company does not expect that the adoption of other accounting pronouncements will have a material impact to its financial statements. The selling, general and administration expenses in the table for the period ending April 30, 2009 is \$9,092. The selling, general and administration expenses were \$,263 more than the previous year's first quarter due to the acquisition of the agreements from the Company's Chairman and Chief Executive Officer.

**RESULTS OF OPERATIONS**

**THREE MONTHS ENDED APRIL 30, 2009 COMPARED TO THREE MONTHS ENDED APRIL 30, 2008**

**APRIL 30, 2009**

**APRIL 30, 2008**

**Revenues**

0

0

**Cost of Goods Sold**

NA

NA

**Operating Expenses**

*Research and Development.*

0

0

*Selling, General and Administrative.*

\$13,274

\$ 1,829

*Other Income (Expense), net.*

0

0

## **Liquidity and Capital Resources**

The Company will need additional investments in order to continue operations. Additional investments are being sought, but the Company cannot guarantee that it will be able to obtain such investments. Financing transactions may include the issuance of equity or debt securities, obtaining credit facilities, or other financing mechanisms. The recent downturn in the U.S. stock and debt markets could make it more difficult to obtain financing through the issuance of equity or debt securities. Even if the Company is able to raise the funds required, it is possible that it could incur unexpected costs and expenses, fail to collect significant amounts owed to it, or experience unexpected cash requirements that would force it to seek alternative financing. Further, if the Company issues additional equity or debt securities, stockholders may experience additional dilution or the new equity securities may have rights, preferences or privileges senior to those of existing holders

Net of fees at the close of the recent equity private placement we had no available cash. We plan to continue to provide for our capital needs by issuing debt or equity securities.

We will require additional financing in order to complete our stated plan of operations for the next twelve months. There can be no assurance, however, that such financing will be available or, if it is available, that we will be able to structure such financing on terms acceptable to us and that it will be sufficient to fund our cash requirements until we can reach a level of profitable operations and positive cash flows. If we are unable to obtain the financing necessary to support our operations, we may be unable to continue as a going concern. We currently have no firm commitments for any additional capital.

Even if we are able to raise the funds required, it is possible that we could incur unexpected costs and expenses, fail to collect significant amounts owed to us, or experience unexpected cash requirements that would force us to seek alternative financing. Further, if we issue additional equity or debt securities, stockholders may experience additional dilution or the new equity securities may have rights, preferences or privileges senior to those of existing holders of our shares of common stock. If additional financing is not available or is not available on acceptable terms, we will have to curtail our operations.

We presently do not have any available credit, bank financing or other external sources of liquidity. Due to our brief history and historical operating losses, our operations have not been a source of liquidity. We will need to obtain additional capital in order to expand operations and become profitable. In order to obtain capital, we may need to sell additional shares of our common stock or borrow funds from private lenders. There can be no assurance that we will be successful in obtaining additional funding.

To date, we have generated no revenues and have incurred operating losses in every quarter. Our registered independent auditors have stated in their report dated January 21, 2009, that we are an early exploration company and have not generated revenues from operations. These factors among others may raise substantial doubt about our ability to continue as a going concern.

### **Off-Balance Sheet Arrangements**

We do not have any off balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, revenues, results of operations, liquidity or capital expenditures.

### **ITEM 3. Quantitative and Qualitative Disclosures about Market Risk**

#### ***Market Rate Risk***

We are exposed to market risk related to changes in interest rates and foreign currency exchanges rates.

#### ***Interest Rate Risk***

We hold our assets in cash and cash equivalents. We do not hold derivative financial instruments or equity securities.

#### ***Foreign Currency Exchange Rate Risk***

Our revenue and expenses are denominated in U.S. dollars. We have conducted some transactions in foreign currencies and expect to continue to do so; we do not anticipate that foreign exchange gains or losses will be

significant. We have not engaged in foreign currency hedging to date.

Our international business is subject to risks typical of international activity, including, but not limited to, differing economic conditions; change in political climates; differing tax structures; and other regulations and restrictions. Accordingly, our future results could be impacted by changes in these or other factors.

#### **Item 4T. CONTROLS AND PROCEDURES**

##### **Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) and pursuant to Rules 13a-15(b) and 15d-15(b) under the Securities Exchange Act of 1934, as amended (the Exchange Act ) as of April 30, 2009. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on our evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures are designed at a reasonable assurance level and were fully effective as of April 30, 2009 in providing reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

##### **Changes in internal control over financial reporting.**

We regularly review our system of internal control over financial reporting and make changes to our processes and systems to improve controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, consolidating activities, and migrating processes.



There were no changes in our internal controls over financial reporting (as such term is defined under Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the period covered by this report on Form 10-Q that has materially affected, or is reasonably likely to materially affect our internal control over financial reporting.

## **PART II - OTHER INFORMATION**

### **ITEM 1. Legal Proceedings**

None

### **ITEM 1A. Risk Factors**

In addition to other information set forth in this Report, you should carefully consider the risk factors previously disclosed in Item 1A to Part 1 of our Annual Report on Form 10-Q for the quarterly ended April 30, 2009. There were no material changes from the risk factors during the three months ended April 30, 2009.

### **ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

### **ITEM 3. Defaults Upon Senior Securities**

None.

### **ITEM 4. Submission of Matters to a Vote of Security Holders**

None.

**ITEM 5. Other Information**

None.

**ITEM 6 . Exhibits**

Exhibit 31.1 Certification pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 and 906 of the Sarbanes-Oxley Act of 2003.

Exhibit 32.1 Certifications of CEO and CFO Pursuant To Section 906 Of The Sarbanes-Oxley Act.

**SIGNATURES**

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

**BLACKBIRD PETROLEM CORPORATION**

June 22, 2009

By:

/s/ Antonio Treminio  
By: Antonio Treminio  
Chairman, President and Chief  
Executive Officer  
(Principal Executive Officer,  
Principal Financial and  
Accounting Officer)