

POWDER RIVER BASIN GAS CORP
Form 10QSB/A
May 21, 2003
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB/A

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

Commission file number 000-31945

For the quarter ended September 30, 2002

POWDER RIVER BASIN GAS CORP.

(Exact name of small business issuer as specified in its charter)

| | |
|--------------------------|---------------------------------|
| Colorado | 84-1521645 |
| (State of incorporation) | (IRS Employer Identification #) |

P.O. Box 7500

Dallas, TX 75209

(214) 526-5678

(Address and telephone number of principal executive office)

Indicate by checkmark 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

As of September 30, 2002, 20,437,833 shares of common stock, \$0.001 par value, were outstanding.

Transitional Small Business Disclosure Format (check one): Yes No

EXPLANATORY NOTE:

THIS 10-QSB/A IS BEING FILED FOR THE PURPOSE OF AMENDING AND RESTATING CERTAIN ITEMS TO REFLECT THE RESTATEMENT OF OUR CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE PERIOD ENDED SEPTEMBER 30, 2002. WE HAVE MADE NO FURTHER CHANGES TO THE PREVIOUSLY FILED FORM 10-QSB. ALL INFORMATION IN THIS FORM 10-QSB/A IS AS OF SEPTEMBER 30, 2002 AND DOES NOT REFLECT ANY SUBSEQUENT INFORMATION OR EVENTS OTHER THAN THE RESTATEMENT.

PART I: FINANCIAL INFORMATION

ITEM 1: FINANCIAL STATEMENTS

| Powder River Basin Gas Corp. | | |
|------------------------------------------------------------|-------------------------|------------------------|
| Consolidated Balance Sheets | | |
| As of September 30, 2002 and December 31, 2001 | | |
| | (unaudited) | |
| | September 30 | December 31 |
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash | \$ 56,770 | \$ 2,323 |
| Accounts receivable | - | - |
| Other current assets | 28,576 | - |
| | <u> </u> | <u> </u> |
| Total current assets | 85,346 | 2,323 |
| | <u> </u> | <u> </u> |
| Oil and gas properties using full cost accounting (note 3) | | |
| Properties not subject to amortization | 1,628,469 | 1,570,069 |
| Accumulated amortization | - | - |
| | <u> </u> | <u> </u> |
| Net oil and gas properties | 1,628,469 | 1,570,069 |
| | <u> </u> | <u> </u> |
| Total assets | \$ 1,713,815 | \$ 1,572,392 |
| | <u> </u> | <u> </u> |
| | ===== | ===== |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES | | |
| Accounts payable | \$ 203,788 | \$ 524,894 |
| Related party payable | 433,700 | 332,700 |
| Current portion of long term debt | 25,000 | 25,000 |
| | <u> </u> | <u> </u> |
| Total current liabilities | 662,488 | 882,594 |
| | <u> </u> | <u> </u> |
| Long term debt (note 4) | 172,161 | - |
| Total liabilities | 834,649 | 882,594 |

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| | | |
| STOCKHOLDERS' EQUITY | | |
| Common stock, par value \$.001 per share; 50,000,000 shares authorized; 20,437,833 and 19,907,833 shares issued and 19,517,833 and 16,347,833 outstanding | 20,437 | 19,907 |
| Capital in excess of par value | 3,870,467 | 2,459,687 |
| Accumulated deficit | (3,010,818) | (1,786,236) |
| Treasury stock; 920,000 and 3,560,000 shares | (920) | (3,560) |
| | | |
| Total stockholders' equity | 879,166 | 689,798 |
| | | |
| Total liabilities and stockholders' equity | \$ 1,713,815 | \$ 1,572,392 |
| | ===== | ===== |

| | | | | |
|----------------------------------------------------------|---------------------------|---------------|--------------------------|---------------|
| Powder River Basin Gas Corp. | | | | |
| Consolidated Statements of Operations (Unaudited) | | | | |
| For the Periods Ended September 30 | | | | |
| | Three Months Ended | | Nine Months Ended | |
| | 2002 | 2001 | 2002 | 2001 |
| REVENUE | | | | |
| Oil and gas sales | \$ - | \$ - | \$ - | \$ - |
| Other operating revenue | 15,000 | 3,500 | 15,000 | 3,500 |
| | | | | |
| Total revenue | 15,000 | 3,500 | 15,000 | 3,500 |
| | | | | |
| EXPENSES | | | | |
| General and administrative | 122,312 | 114,951 | 259,542 | 161,089 |
| Lease operating costs | 9,161 | - | 80,476 | - |
| Legal and professional | 31,623 | - | 879,643 | - |
| Travel | 9,374 | - | 18,590 | - |
| | | | | |
| Total expenses | 172,470 | 114,951 | 1,238,251 | 161,089 |
| NET OPERATING LOSS | (157,470) | (111,451) | (1,223,251) | (157,589) |
| OTHER INCOME (EXPENSE) | | | | |
| Interest expense | (828) | - | (1,331) | - |
| | | | | |
| NET LOSS | \$ (158,298) | \$ (111,451) | \$ (1,224,582) | \$ (157,589) |
| | ===== | ===== | ===== | ===== |
| BASIC LOSS PER COMMON SHARE | \$ (0.01) | \$ (0.01) | \$ (0.06) | \$ (0.01) |
| | ===== | ===== | ===== | ===== |

| | | | | |
|----------------------------------------------------------|------------|------------|------------|------------|
| WEIGHTED AVERAGE NUMBER OF OUTSTANDING SHARES | 20,104,500 | 17,428,333 | 19,989,611 | 13,153,333 |
| | ===== | ===== | ===== | ===== |

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| Powder River Basin Gas Corp. |
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|-------------------------------------------------------------------|
| Consolidated Statement of Stockholders' Equity (Unaudited) |
|-------------------------------------------------------------------|

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|------------------------------------------------|
| For the Period Ended September 30, 2002 |
|------------------------------------------------|

| | Common Stock | | Capital in Excess of Par Value | Retained Deficit | Treasury Stock | |
|----------------------------------------------------------------------------|--------------|--------|--------------------------------------|---------------------|----------------|---------|
| | Shares | Amount | | | Shares | Amount |
| Balance at inception on June 13, 2001 | - | \$ - | \$ - | \$ - | - | \$ - |
| Common stock issued for organization costs; \$0.001 per share | 3,350,000 | 3,350 | (3,350) | - | - | - |
| Common stock issued for services; \$0.001 per share | 5,650,000 | 5,650 | (5,650) | - | - | - |
| Common stock returned due to non completion of services; \$0.001 per share | - | - | - | - | (5,040,000) | (5,040) |
| Reverse acquisition adjustment | 9,960,000 | 9,960 | (9,960) | - | - | - |
| Common stock issued for related party payable at \$0.81 per share | 100,000 | 100 | 89,900 | - | - | - |
| Common stock issued for services at \$0.81 per share | - | - | 453,040 | - | 560,000 | 560 |
| Common stock issued for cash at \$1.10 per share | 600,000 | 600 | 664,390 | - | - | - |
| Common stock issued for services at \$1.11 per share | - | - | 1,023,730 | - | 920,000 | 920 |
| Common stock issued for payable at \$1.00 per share | 247,833 | 247 | 247,587 | - | - | - |
| Net loss for the year ended December 31, 2001 | - | - | - | (1,786,236) | - | - |
| | | | | | | |
| Balance at December 31, 2001 | 19,907,833 | 19,907 | 2,459,687 | (1,786,236) | (3,560,000) | (3,560) |

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| Powder River Basin Gas Corp. |
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|-------------------------------------------------------------------------------|
| Consolidated Statement of Stockholders' Equity (Unaudited) (continued) |
|-------------------------------------------------------------------------------|

For the Period Ended September 30, 2002

| | Common Stock | | Capital in Excess of Par Value | Retained Deficit | Treasury Stock | |
|------------------------------------------------------------------------|--------------|-----------|-----------------------------------|---------------------|----------------|----------|
| | Shares | Amount | | | Shares | Amount |
| Balance at December 31, 2001 | 19,907,833 | 19,907 | 2,459,687 | (1,786,236) | (3,560,000) | (3,560) |
| Common stock issued for payables; \$0.61 per share | - | - | 152,250 | - | 250,000 | 250 |
| Common stock issued for services at \$0.65 per share | - | - | 407,420 | - | 630,000 | 630 |
| Common stock issued for cash at \$1.00 per share | 30,000 | 30 | 29,970 | - | - | - |
| Common stock issued for services at \$0.59 per share | - | - | 665,570 | - | 1,130,000 | 1,130 |
| Common stock issued for services; \$0.09 per share | - | - | 56,070 | - | 630,000 | 630 |
| Common stock issued for related party payables; \$0.20 per share | 500,000 | 500 | 99,500 | - | - | - |
| Net loss for the period ended September 30, 2002 | - | - | - | (1,224,582) | - | - |
| | | | | | | |
| Balance at September 30, 2002 | 20,437,833 | \$ 20,437 | \$ 3,870,467 | \$ (3,010,818) | (920,000) | \$ (920) |
| | | | | | | |

Powder River Basin Gas Corp.**Consolidated Statements of Cash Flows (Unaudited)****For the Nine Month Periods Ended September 30**

| | 2002 | 2001 |
|-------------------------------------------------------------|----------------|--------------|
| Cash flows from operating activities | | |
| Net income | \$ (1,224,582) | \$ (157,589) |
| Adjustments to net income provided by operating activities: | | |
| Common stock issued for services rendered | 1,131,450 | - |
| Common stock issued for retirement of accounts payable | 252,500 | - |
| Changes in assets and liabilities: | | |
| Decrease (increase) in accounts receivable | - | - |
| Increase in other current assets | (28,576) | - |
| (Decrease) increase in accounts payable | (321,106) | - |
| | | |
| Net cash used in operating activities | (190,314) | (157,589) |
| | | |

| | | |
|---------------------------------------------------------------------------------------------------------|------------|-------------|
| Cash flows from investing activities | | |
| Cash for acquisition | - | (37,253) |
| Expenditures for oil and gas property development | (58,400) | (1,125,308) |
| | | |
| Net cash used in investing activities | (58,400) | (1,162,561) |
| | | |
| Cash flows from financing activities | | |
| Proceeds from notes payable and long-term liabilities | 273,161 | 1,251,852 |
| Proceeds from issuance of common stock | 30,000 | - |
| | | |
| Net cash provided by financing activities | 303,161 | 1,251,852 |
| | | |
| Net decrease in cash and cash equivalents | 54,447 | (68,298) |
| Cash at beginning of period | 2,323 | 69,298 |
| | | |
| Cash at end of period | \$ 56,770 | \$ 1,000 |
| | ===== | ===== |
| Cash paid for: | | |
| Interest | \$ 1,331 | \$ - |
| Income taxes | \$ - | \$ - |
| Non cash financing activities: | | |
| Common stock issued for payment of accounts payable pertaining to acquisition of oil and gas properties | \$ 152,500 | \$ - |
| Common stock issued to retire accounts payable | \$ 100,000 | \$ - |

Powder River Basin Gas Corp.**Notes to Consolidated Financial Statements****For the Period Ended September 30, 2002****NOTE 1 - PREPARATION OF FINANCIAL STATEMENTS**

This 10-QSB/A is being filed for the purpose of amending and restating certain items to reflect the restatement of our consolidated financial statements (unaudited) for the period ended September 30, 2002 and reclassification in our consolidated statement of operations (unaudited) for this period to reflect the issuance of treasury stock for services. We have made no further changes to the previously filed Form 10-QSB. All information in this Form 10-QSB/A is as of September 30, 2002 and does not reflect any subsequent information or events other than the restatement.

The unaudited consolidated financial statements of Powder River Basin Gas Corp. for the period ended September 30, 2002, included herein have been prepared in accordance with generally accepted accounting principles and the rules and regulations of the Securities and Exchange Commission ("SEC") and should be read in conjunction with the audited financial statements and notes thereto contained in the Company's latest Annual Report filed with the SEC on Form 10-KSB/A. In the opinion of management, all adjustments, consisting of normal recurring adjustments,

necessary for a fair presentation of financial position and the results of operations for the interim period presented have been reflected herein. The results of operations for the interim period are not necessarily indicative of the results to be expected for the full year. Notes to the financial statements which would substantially duplicate the disclosures contained in the audited financial statements for the most recent year, 2001, as reported in the Form 10-KSB/A, have been omitted.

NOTE 2 - ORGANIZATION

The Company was incorporated under the laws of Colorado on August 27, 1999 as Celebrity Sports Network, Inc. The principal activities since inception have been organizational matters and obtaining financing. The Company was formed in an effort to broaden the scope of public appearances available to current and former professional athletes. The Company, however, changed their operations in 2001 through a reverse acquisition with Powder River Basin Gas Corp., an oil and gas company.

Power River Basin Gas Corp. (PRBG) was incorporated in Colorado on June 13, 2001. The Company is engaged in the business of assembling and managing a portfolio of undeveloped acreage in the Powder River basin coal bed methane (CBM) play in Sheridan County, Wyoming. This acreage is located in a proven geological setting and near operators such as Western Gas Resources, Barrett Resources, Phillips Petroleum, J.M. Huber and others. The Company has leasehold interests in 8,096.83 net acres. Two wells have been drilled on one lease and eleven additional wells have been spudded.

Pursuant to a reverse acquisition and reorganization agreement, PRBG was acquired by Celebrity Sports on September 5, 2001. At the time of the acquisition, the Company changed its name to Power River Basin Gas Corp. and issued 9 million shares of common stock for all the issued and outstanding stock of PRBG; thus, making PRBG a wholly-owned subsidiary of the Company. Because PRBG is the accounting acquirer in the reverse acquisition, all financial history in these financial statements are that of PRBG.

The Company issued 9 million shares of common stock for 9 million shares of PRBG, therefore, an adjustment to the shares outstanding was necessary to reflect the other shareholders of the Company at the time of acquisition. No goodwill was recorded in the acquisition and the purchase method of accounting was used to record the transaction.

NOTE 3 - OIL AND GAS PROPERTIES

The full cost method is used in accounting for oil and gas properties. Accordingly, all costs associated with acquisition, exploration, and development of oil and gas reserves, including directly related overhead costs, are capitalized. In addition, depreciation on property and equipment used in oil and gas exploration and interest costs incurred with respect to financing oil and gas acquisition, exploration and development activities are capitalized in accordance with full cost accounting. Capitalized interest for the quarter ended September 30, 2002 was \$0. All capitalized costs of proved oil and gas properties subject to amortization are being amortized on the unit-of-production method using estimates of proved reserves. Investments in unproved properties and major development projects not subject to amortization are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is added to the capitalized costs to be amortized. As of September 30, 2002, proved oil and gas reserves had been identified on one of the Company's oil and gas properties, however, no extraction has begun; therefore, no amortization was recorded for the period ending September 30, 2002. All other wells are incomplete as of September 30, 2002.

NOTE 4 - LONG TERM DEBT

At September 30, 2002, the Company had the following long-term liabilities:

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Note payable to Stephen Smith, an individual and brother of the Company's Chairman bearing interest at 12.0%, payable on or before January 31, 2003, secured by Company common stock | \$ 25,000 |
| Debentures held by accredited investors, which are convertible into Company common stock upon effective registration and bear interest at 6% per annum, though maturity or conversion; Debentures are convertible into Company common stock at a price equal to 75% of the lowest closing bid price per share (as reported by Bloomberg, LP) of the Company's common stock for the seven trading days immediately preceding the conversion date | \$ 172,161 |
| | \$ 197,161 |
| Less: Current Portion | (25,000) |
| | \$ 172,161 |
| | ===== |

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|---------------------------------------------------------------|
| Powder River Basin Gas Corp. |
| Notes to Consolidated Financial Statements (continued) |
| For the Period Ended September 30, 2002 |

NOTE 5 - COMMON STOCK

In January 2002, the Company issued 250,000 shares of treasury stock to satisfy debt associated with the acquisition of oil and gas leases at \$0.61 per share.

In January 2002, the Company issued 630,000 shares of treasury stock for services at \$0.65 per share.

In February 2002, the Company authorized the issuance of 30,000 shares of common stock for cash of \$30,000 at \$1.00 pursuant to a Reg. D 506 exempt offering.

In March 2002, the Company issued 1,130,000 shares of treasury stock for services at \$0.59 per share.

In July 2002, the Company issued 500,000 shares to a related party to satisfy \$100,000 in related party payables at \$0.20 per share.

In July 2002, the Company issued 630,000 shares of treasury stock for services at \$0.09 per share.

ITEM 2: MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

The Company is including the following cautionary statement to make applicable and take advantage of the safe harbor provision of the Private Securities Litigation Reform Act of 1995 for any forward-looking statements made by, or on behalf of, the Company. This quarterly report on form 10-QSB/A contains forward-looking statements.

Forward-looking statements include statements concerning plans, objectives, goals, strategies, expectations, future events or performance and underlying assumptions and other statements which are other than statements of historical facts. Certain statements contained herein are forward-looking statements and, accordingly, involve risks and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. The Company's expectations, beliefs and projections are expressed in good faith and are believed by the Company to have a reasonable basis, including without limitations, management's examination of historical operating trends, data contained in the Company's records and other data available from third parties, but there can be no assurance that management's expectations, beliefs or projections will result or be achieved or accomplished. In addition to other factors and matters discussed elsewhere herein, the following are important factors that, in the view of the Company, could cause actual results to differ materially from those discussed in the forward-looking statements: the ability of the Company to respond to changes in the information system environment, competition, the availability of financing, and, if available, on terms and conditions acceptable to the Company, and the availability of personnel in the future.

PLAN OF OPERATION

The Company's business strategy for the next twelve months includes focused acquisitions and drilling operations which may be curtailed, delayed or canceled as a result of a variety of factors, including unexpected drilling conditions, pressure or irregularities in formations, equipment failures or accidents, weather conditions and shortages or delays in equipment delivery. The Company has drilled two gas wells that will produce commercially viable gas resources once the appropriate infrastructure (i.e., pipeline) is in place. The Company plans on implementing its drilling plan and begin recognizing revenues during the fiscal year 2002. In addition to the above business strategy, the Company may also seek out and entertain offers from outsiders who wish to purchase all or part of the Company.

LIQUIDITY AND CAPITAL RESOURCES

The Company's working capital deficit on September 30, 2002 was \$577,142, resulting primarily from the use of accounts payable to finance the acquisition of leasehold interests in the Powder River Basin. The Company has no established revenue sources and continues to rely on loans from shareholders, sales of equity and other financing to sustain operations as a going concern. There is currently no agreement from any officer or shareholder to continue to provide working capital in order to maintain operations. The Company, however, anticipates that it will be able to raise the necessary funds to commence drilling operations on its leasehold properties during 2002.

CURRENT LIABILITIES

On September 30, 2002, the Company had approximately \$662,488 in current liabilities. Of this amount, approximately \$203,788 is due to various entities for the purchase of leasehold interests in the Powder River Basin and related expenses incurred by the Company. \$433,700 was due to Taghmen Ventures, Ltd. and Mr. Gregory C. Smith, Chairman of the Company; Mr. Smith is also the General Partner for Taghmen Ventures Ltd. \$333,700 of this amount represents funds advanced to the Company by Taghmen Ventures, Ltd. and \$100,000 represents accrued wages due Mr. Smith. \$25,000 is due under a note payable to an individual, who is the brother of Mr. Smith for monies loaned to the Company. During the quarter ended September 30, 2002, the Company received \$172,161 from accredited investors as part of an offering afforded by Rule 506 of Regulation D, which are in the form of Debentures and are convertible into Company common stock upon the Company's effective filing of a Registration Statement.

NEED FOR ADDITIONAL FINANCING FOR GROWTH

The growth of the Company's business will require substantial capital on a continuing basis, and there is no assurance that any such required additional capital will be available on satisfactory terms and conditions, if at all. The Company may pursue, from time to time, opportunities to acquire oil and natural gas properties and businesses that may utilize the capital currently expected to be available for its present operations. The amount and timing of the Company's

future capital requirements, if any, may depend upon a number of factors, including drilling, transportation, and equipment costs, marketing expenses, staffing levels, competitive conditions, and purchases or dispositions of assets, many of which are not in the Company's control. Failure to obtain any required additional financing could materially adversely affect the growth, cash flow and earnings of the Company. In addition, the Company's pursuit of additional capital could result in the incurrence of additional debt or potentially dilutive issuances of equity securities.

The Company's ability to meet any future debt service obligations will be dependent upon the Company's future performance, which will be subject to oil and natural gas prices, the Company's level of production, general economic conditions and financial, business and other factors affecting the operations of the Company, many of which are beyond its control. There can be no assurance that the Company's future performance will not be adversely affected by such changes in oil and natural gas prices and/or production nor by such economic conditions and/or financial, business and other factors. In addition, there can be no assurance that the Company's business will generate sufficient cash flow from operations or that future bank credit will be available in an amount to enable the Company to service its indebtedness or make necessary expenditures. In such event, the Company would be required to obtain such financing from the sale of equity securities or other debt financing. There can be no assurance that any such financing will be available on terms acceptable to the Company. Should sufficient capital not be available, the Company may not be able to continue to implement its business strategy.

ITEM 3: CONTROLS AND PROCEDURES

Based on their evaluation of the Company's disclosure controls and procedures as of a date within 90 days of the filing of this Report, the Chairman and Chief Executive Officer have concluded that such controls and procedures are effective.

There were no significant changes in the Company's internal controls or in other factors that could significantly affect such controls subsequent to the date of evaluation.

PART II: OTHER INFORMATION

ITEM 1: LEGAL PROCEEDINGS

The Company is a Plaintiff involved in a legal proceeding in the United States District Court for the District of Colorado, Civil Action No. 02-0764, versus John Skinner, an individual. It is expected that this proceeding will be settled between the two parties in November, 2002.

ITEM 2: CHANGES IN SECURITIES

The Company effected the following transactions in reliance upon the advice of counsel. It has since come to the attention of the Company that such advice may have been erroneous and as such, the Company will be requesting the return of a portion of the securities involved. Once returned, new securities will be issued in reliance upon exemptions from registration under the Securities Act of 1933 as amended (the "Act") as provided in Section 4(2) thereof.

In January 2002, the Company issued 250,000 shares of treasury stock to satisfy debt associated with the acquisition of oil and gas leases at \$0.61 per share.

In January 2002, the Company issued 630,000 shares of treasury stock for services at \$0.65 per share.

In February 2002, the Company authorized the issuance of 30,000 shares of common stock for cash of \$30,000 at \$1.00 pursuant to a Reg. D 506 exempt offering.

In March 2002, the Company issued 1,130,000 shares of treasury stock for services at \$0.59 per share.

In July 2002, the Company issued 500,000 shares to a related party to satisfy \$100,000 in related party payables at \$0.20 per share.

In July 2002, the Company issued 630,000 shares of treasury stock for services at \$0.09 per share.

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 AND REPORTS ON FORM 8-K

(a) Exhibit 99.1 Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer and Principal Financial Officer.

(b) Reports

Report on Form 8-K, as amended, Celebrity Sports Network, Inc., filed January 24, 2002; Change in Registrant's Certifying Accountant

Signatures

Pursuant to the requirements of Section 13 or 15(d) the Securities and Exchange Act of 1934 the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

| | |
|-------|-------------------------------------------------|
| | Powder River Basin Gas Corp. |
| | Registrant |
| By: | \\s\ Jeffrey T. Wilson, Chief Executive Officer |
| | Jeffrey T. Wilson, Chief Executive Officer |
| Date: | May 20, 2003 |

I, Jeffrey T. Wilson, certify that:

1. I have reviewed this quarterly report on Form 10-QSB/A of Powder River Basin Gas Corp.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I, are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: May 20, 2003

/s/ Jeffrey T. Wilson

Jeffrey T. Wilson

Chief Executive Officer