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GULFWEST ENERGY INC  
Form 10-Q  
November 12, 2004

FORM 10-Q

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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

For the quarterly period ended September 30, 2004

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 1-12108

GULFWEST ENERGY INC.  
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(Exact name of Registrant as specified in its charter)

Texas  
(State or other jurisdiction  
of incorporation)

87-0444770  
(IRS Employer  
Identification No.)

480 North Sam Houston Parkway East  
Suite 300  
Houston, Texas  
(Address of principal executive offices)

77060  
(zip code)

(281) 820-1919  
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(D) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES X NO  
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The number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date, November 10, 2004, was 18,593,969 shares of Class A Common Stock, \$.001 par value.

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FORM 10-Q FOR THE QUARTER ENDED  
SEPTEMBER 30, 2004

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

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GULFWEST ENERGY INC.  
CONSOLIDATED BALANCE SHEETS  
SEPTEMBER 30, 2004 AND DECEMBER 31, 2003

ASSETS

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CURRENT ASSETS:

Cash and cash equivalents  
Accounts Receivable - trade, net of allowance for  
doubtful accounts of -0- in 2004 and 2003  
Prepaid expenses

Total current assets

OIL AND GAS PROPERTIES

Using the successful efforts method of accounting

OTHER PROPERTY AND EQUIPMENT

Less accumulated depreciation, depletion  
and amortization

Net oil and gas properties, and  
other property and equipment

OTHER ASSETS:

Deposits  
Debt issue cost, net

Total other assets

TOTAL ASSETS

The Notes to Consolidated Financial Statements are an integral part of these statements.

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GULFWEST ENERGY INC.  
CONSOLIDATED BALANCE SHEETS  
SEPTEMBER 30, 2004 AND DECEMBER 31, 2003

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Notes payable  
Notes payable - related parties  
Current portion of long-term debt  
Current portion of long-term debt - related parties  
Accounts payable - trade

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Accrued expenses			
Total current liabilities			1
NONCURRENT LIABILITIES			
Long-term debt, net of current portion			2
Asset retirement obligations			
Total noncurrent liabilities			2
OTHER LIABILITIES			
Derivative instruments			
Total liabilities			3
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY			
Preferred stock			
Common stock			
Additional paid-in capital			3
Retained deficit			(1)
Total stockholders' equity			1
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY			\$5

The Notes to Consolidated Financial Statements are an integral part of these statements.

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GULFWEST ENERGY INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
FOR THE THREE MONTHS AND NINE MONTHS ENDED  
SEPTEMBER 30, 2004 AND 2003  
(UNAUDITED)

	Three Months Ended September 30,	
	2004	2003
OPERATING REVENUES		
Oil and gas sales	\$2,816,386	\$2,400,967
Operating overhead and other income	(13,440)	35,096
Total Operating Revenues	2,802,946	2,436,063
OPERATING EXPENSES		

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Lease operating expenses	1,149,771	1,434,002
Depreciation, depletion and amortization	526,277	540,312
Accretion expense	16,287	
General and administrative	498,189	380,176
	-----	-----
Total Operating Expenses	2,190,524	2,354,490
	-----	-----
INCOME FROM OPERATIONS	612,422	81,573
	-----	-----
OTHER INCOME AND EXPENSE		
Interest expense	(1,036,591)	(756,212)
Other financing costs	(532,728)	
Loss on sale of assets	(1,891,707)	(19,848)
Unrealized gain (loss) on derivative Instruments	(1,862,729)	295,030
Abandoned property		
Forgiveness of debt		
	-----	-----
Total Other Income and Expense	(5,323,755)	(481,030)
	-----	-----
INCOME (LOSS) BEFORE INCOME TAXES	(4,711,333)	(399,457)
INCOME TAXES		
	-----	-----
NET INCOME (LOSS)	(4,711,333)	(399,457)
DIVIDENDS ON PREFERRED STOCK (Paid 2004 - 0; 2003 - 0)	124,375	
	-----	-----
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	\$ (4,835,708)	\$ (399,457)
	=====	=====
NET INCOME (LOSS) PER SHARE,		
BASIC	\$ (.26)	\$ (.02)
	=====	=====
DILUTED	\$ (.26)	\$ (.02)
	=====	=====

The Notes to Consolidated Financial Statements are an integral part of these statements.

GULFWEST ENERGY INC.  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2004 AND 2003  
(UNAUDITED)

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income (loss) \$  
Adjustments to reconcile net income to net cash  
provided by operating activities:

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Depreciation, depletion, and amortization  
Accretion expense  
Debt issue cost expense  
Discount on note payable  
Common stock warrants issued and charged to operations  
Other financing costs  
Notes payable issued and charged to earnings  
Loss on sale of assets  
Abandoned property  
Unrealized (gain) loss on derivate instruments  
Forgiveness of debt  
(Increase) decrease in accounts receivable - trade, net  
(Increase) decrease in prepaid expenses  
Increase (decrease) in accounts payable and accrued expenses

Net cash provided by (used in) operating activities

CASH FLOWS FROM INVESTING ACTIVITIES:

Sale of property and equipment  
Purchase of property and equipment

Net cash used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds on sale of preferred stock, net  
Payments on debt  
Proceeds from debt issuance  
Debt issue cost

Net cash provided by (used in) financing activities

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

CASH AND CASH EQUIVALENTS, beginning of period

CASH AND CASH EQUIVALENTS, end of period

CASH PAID FOR INTEREST

The Notes to Consolidated Financial Statements are an integral part of these statements.

GULFWEST ENERGY INC. AND SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
SEPTEMBER 30, 2004 AND 2003  
(UNAUDITED)

1. During interim periods, we follow the accounting policies set forth in our Annual Report on Form 10-K filed with the Securities and Exchange Commission. Users of financial information produced for interim periods are encouraged to refer to the footnotes contained in the Annual Report when reviewing interim financial results.

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2. The accompanying financial statements include the Company and its wholly-owned subsidiaries: RigWest Well Service, Inc. formed September 5, 1996; GulfWest Texas Company formed September 23, 1996; DutchWest Oil Company formed July 28, 1997; Southeast Texas Oil and Gas Company, L.L.C. acquired September 1, 1998; SETEX Oil and Gas Company formed August 11, 1998; GulfWest Oil & Gas Company formed February 8, 1999; LTW Pipeline Co. formed April 19, 1999; GulfWest Development Company formed November 9, 2000; and, GulfWest Oil & Gas Company (Louisiana) LLC formed July 31, 2001. All material intercompany transactions and balances are eliminated upon consolidation.
3. In management's opinion, the accompanying interim financial statements contain all material adjustments, consisting only of normal recurring adjustments necessary to present fairly the financial condition, the results of operations, and the statements of cash flows of GulfWest Energy Inc. for the interim periods.
4. Non-cash Investing and Financing

During the nine month period ended September 30, 2004, we issued a note payable for \$600,000 in exchange for an account payable for \$538,954 and \$61,046 of interest expense was recorded. Also, as a result of refinancing debt we issued common stock warrants valued at \$916,029 which were recorded as a note discount, issued \$500,000 of preferred stock of a wholly owned subsidiary as a commission to a financial advisor, recorded a \$360,000 payable for a loan termination fee and had \$11,884,145 in debt forgiven by the prior lender. We also financed field trucks for \$78,036,

During the nine month period ended September 30, 2003, we decreased the current portion of long term debt - related parties by applying \$17,300 in deposits and reclassified \$176,324 from accrued expenses to current portion of long term debt. Also during the period, \$1 million in preferred stock was issued to an energy lender as required by an agreement that expired on May 29, 2003.

5. As a result of a financing agreement with an energy lender, we were required to enter into an oil and gas hedging agreement with the lender. It has been determined this agreement meets the definition of SFAS 133 "Accounting for Derivative Instruments and Hedging Activities" and is accounted for as a derivative instrument.

We entered into an agreement, commencing in May 2000, to hedge a portion of our oil and gas sales for the period of May 2000 through April 2004. The agreement calls for initial volumes of 7,900 barrels of oil and 52,400 Mcf of gas per month, declining monthly thereafter. We entered into an additional agreement with the energy lender, commencing September 2001, to hedge an additional portion of our oil and gas sales for the periods of September 2001 through July 2004 and September 2001 through December 2003, respectively. The agreement calls for the initial volumes of 15,000 barrels of oil and 50,000 Mmbtu of gas per month, declining monthly thereafter. These agreements were terminated in April 2004 with the refinancing of the related debt. We entered into a second agreement, as a result of refinancing the debt, commencing May 2004, to hedge a portion of our oil and gas sales for the period of May 2004 through October 2005. The agreement calls for 10,000 barrels of oil and 60,000 Mmbtu of gas per month. As a result of these agreements, we realized a decrease in revenues of \$1,154,349 for the nine month period ended September 30, 2004 and a decrease in revenues of \$1,209,982 for the nine month period ended September 30, 2003, which is included in oil and gas sales.

The estimated change in fair value of the derivatives is reported in Other Income and Expense as unrealized (gain) loss on derivative instruments. The estimated fair value of the derivatives is reported in Other Assets (or Other Liabilities) as derivative instruments.

6. Stock Based Compensation

In October 1995, SFAS No. 123, "Stock Based Compensation," (SFAS 123) was issued. This statement requires that we choose between two different methods of accounting for stock options and warrants. The statement defines a fair-value-based method of accounting for stock options and warrants but allows an entity to continue to measure compensation cost for stock options and warrants using the accounting prescribed by APB Opinion No. 25 (APB 25), "Accounting for Stock Issued to Employees." Use of the APB 25 accounting method results in no compensation cost being recognized if options are granted at an exercise price at the current market value of the stock or higher. We will continue to use the intrinsic value method under APB 25 but are required by SFAS 123 to make pro forma disclosures of net income (loss) and earnings (loss) per share as if the fair value method had been applied in its 2004 and 2003 financial statements.

If we had used the fair value method required by SFAS 123, our net loss and per share information would approximate the following amounts:

Three months	2004		
	As Reported	Proforma	As Reported
SFAS 123 compensation cost	\$	\$ 420,250	\$
APB 25 compensation cost	\$	\$	\$
Net income (loss)	\$ (4,835,708)	\$ (5,255,958)	\$ (399,457)
Income (loss) per common share,			
Basic	\$ (.26)	\$ (.28)	\$ (.04)
Diluted	\$ (.26)	\$ (.28)	\$ (.04)

Nine months	2004		
	As Reported	Proforma	As Reported
SFAS 123 compensation cost	\$	\$ 425,500	\$
APB 25 compensation cost	\$	\$	\$
Net income (loss)	\$ 4,184,570	\$ 3,759,070	\$ (1,510,681)
Income (loss) per			



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common share,					
Basic	\$	.23	\$	.20	\$ (.08)
Diluted	\$	.14	\$	.12	\$ (.08)

7. As shown in the financial statements, we had a working capital deficiency of \$9,965,758 at September 30, 2004 and \$42,876,963 for the year ended December 31, 2003. This and other conditions raise substantial doubt about our ability to continue as a going concern.

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### ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS

#### ----- OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS -----

#### Overview -----

We are engaged primarily in the acquisition, development, exploitation, exploration and production of crude oil and natural gas. Our focus is on increasing production from our existing crude oil and natural gas properties through the further exploitation, development and optimization of those properties, and on acquiring additional crude oil and natural gas properties. Our gross revenues are derived from the following sources:

1. Oil and gas sales that are proceeds from the sale of crude oil and natural gas production to midstream purchasers;
2. Operating overhead and other income that consists of earnings from operating crude oil and natural gas properties for other working interest owners, and marketing and transporting natural gas. This also includes earnings from other miscellaneous activities.

#### Results of Operations -----

The factors which most significantly affect our results of operations are (1) the sales price of crude oil and natural gas, (2) the level of total sales volumes of crude oil and natural gas, (3) the level of and interest rates on borrowings and, (4) the level and success of new acquisitions and development of existing properties.

Comparative results of operations for the periods indicated are discussed below.

Three-Month Period Ended September 30, 2004 compared to Three Month Period Ended September 30, 2003.

#### Revenues

Oil and Gas Sales. Revenues from the sale of crude oil and natural gas for the quarter increased 17% from \$2,401,000 in 2003 to \$2,816,400 in 2004 due to higher commodity prices offset by lower production volumes and the sale of two properties in West Texas and one property in Oklahoma. The lower production volumes were due to the natural decline in production from our Gulf Coast fields. We have implemented a development plan which should result in increased production in future quarters.

Operating Overhead and Other Income. Revenues from these activities

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decreased from \$35,100 in 2003 to \$(13,400) in 2004. This was due to fluctuations in prices of natural gas in our imbalance accounts.

### Costs and Expenses

Lease Operating Expenses. Lease operating expenses decreased 20% from \$1,434,000 in 2003 to \$1,149,800 in 2004 due to lower production volumes and the sale of two properties in West Texas and one property in Oklahoma.

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Depreciation, Depletion and Amortization (DD&A). DD&A decreased 3% from \$540,300 in 2003 to \$526,300 in 2004, due to lower commodity sales volumes.

General and Administrative (G&A) Expenses. G&A expenses increased 31% for the period from \$380,200 in 2003 to \$498,200 in 2004, due to increased costs related to our financing activities.

Interest Expense. Interest expense increased 37% from \$756,200 in 2003 to \$1,036,600 in 2004, primarily due to a significant increase in our interest rate following our refinancing.

Nine-Month Period Ended September 30, 2004 compared to Nine-Month Period Ended September 30, 2003.

### Revenues

Oil and Gas Sales. Revenues from the sale of crude oil and natural gas for the period decreased 7% from \$8,376,000 in 2003 to \$7,811,400 in 2004 due to lower production volumes and the sale of two properties in West Texas and one property in Oklahoma. Our development plan to increase production did not start until May 2004.

Operating Overhead and Other Income. Revenues from these activities decreased 35% from \$100,800 in 2003 to \$65,600 in 2004. This was due to fluctuations in prices of natural gas in our imbalance accounts.

### Costs and Expenses

Lease Operating Expenses. Lease operating expenses decreased 11% from \$4,196,400 in 2003 to \$3,749,000 in 2004 due to lower production volumes and the sale of two properties in West Texas and one property in Oklahoma.

Depreciation, Depletion and Amortization (DD&A). DD&A decreased 18% from \$1,714,900 in 2003 to \$1,402,500 in 2004, due to lower commodity sales volumes.

General and Administrative (G&A) Expenses. G&A expenses increased 13% for the period from \$1,214,700 in 2003 to \$1,371,800 in 2004, due to increased costs related to our financing activities.

Interest Expense. Interest expense increased 28% from \$2,328,900 in 2003 to \$2,971,400 in 2004, due to a significant increase in our interest rate following our refinancing.

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Financial Condition and Capital Resources

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At September 30, 2004, our current liabilities exceeded our current assets by \$9,965,758. We had a loss of \$4,835,708 for the quarter compared to a loss of \$399,457 for the period in 2003. The loss for 2004 included a non-cash loss of approximately \$1.9 million associated with the change in our estimate of the fair value of our hedge, approximately \$1.9 million loss on the sale of assets and approximately \$500,000 of amortization of expenses associated with our refinancing.

During the third quarter of 2004, our sales volumes were 40,733 barrels of crude oil and 272,611 Mcf of natural gas compared to 49,330 barrels of crude oil and 263,561 Mcf of natural gas in the third quarter of 2003. Revenue for crude oil sales for the period was \$1,332,744 in 2004 compared to \$1,176,604 in 2003 and for natural gas sales was \$1,483,642 in 2004 compared to \$1,224,363 in 2003.

During the nine-month period ended September 30, 2004 our sales volumes were 127,530 barrels of oil and 756,614 Mcf of natural gas compared to 169,953 barrels of oil and 908,346 Mcf of natural gas for the period in 2003. Revenue for crude oil sales for the period was \$3,861,893 in 2004 compared to \$4,076,097 in 2003 and for natural gas sales was \$3,949,480 in 2004 compared to \$4,299,889 in 2003.

On April 27, 2004, in our wholly-owned subsidiary, GulfWest Oil and Gas Company, we completed an \$18,000,000 financing package with a new energy lender. We used \$15,700,000 to retire existing debt of \$27,584,145, resulting in forgiveness of debt of \$11,884,145. This taxable gain will be completely offset by available net operating loss carryforwards. The term of the note is eighteen months and it bears interest at the prime rate plus 11%. This rate increases by .75% per month beginning in month ten. We paid the new lender \$1,180,000 in cash fees and also issued the new lender warrants to purchase 2,035,621 shares of our common stock at an exercise price of \$.01 per share, expiring in five years. The warrants are subject to demand registration and anti-dilution provisions.

Simultaneously, our wholly-owned subsidiary, GulfWest Oil & Gas Company, completed the initial phase of a private offering of its Series A Preferred Stock for \$4,000,000. The Series A Preferred Stock is exchangeable for our Common Stock based on a liquidation value of \$500 per share of Series A Preferred Stock divided by \$.35 per share of our Common Stock. As part of a fee and commission, we issued \$500,000 of the Series A Preferred Stock to a financial advisor. One of our directors acquired \$1,500,000 of the Series A Preferred Stock.

Of the \$21,500,000 total cash raised, we used \$15,700,000 to pay existing debt and \$1,580,000 to pay fees and commissions, leaving \$4,220,000 available for capital expenditures and working capital.

As of September 30, 2004 we have incurred \$2,983,787 in loan fees. This includes lender fees of \$1,540,000 (\$1,180,000 paid in cash and a \$360,000 fee due at the termination of the loan), financial advisor fees of \$1,150,000, which includes the \$500,000 of Series A Preferred Stock, and \$293,787 for other professional fees. Also, the lender charges a quarterly administrative fee of \$25,000. These costs are being amortized over the term of the loan and are included in other financing costs.

In addition we issued the lender warrants valued at \$916,029. The value of the warrants is recorded as a note discount and is being expensed over the term of the loan and included in interest expense.

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

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The following market rate disclosures should be read in conjunction with the quantitative disclosures about market risk contained in the Company's 2003 annual report on Form 10-K, as well as with the consolidated financial statements and notes thereto included in this quarterly report on Form 10-Q.

All of the Company's financial instruments are for purposes other than trading. The Company only enters derivative financial instruments in conjunction with its oil and gas hedging activities.

Hypothetical changes in interest rates and prices chosen for the following stimulated sensitivity effects are considered to be reasonably possible near-term changes generally based on consideration of past fluctuations for each risk category. It is not possible to accurately predict future changes in interest rates and product prices. Accordingly, these hypothetical changes may not be an indicator of probable future fluctuations.

#### Interest Rate Risk

The Company is exposed to interest rate risk on debt with variable interest rates. At September 30, 2004, the Company carried variable rate debt of \$28,885,455. Assuming a one percentage point change at September 30, 2004 on the Company's variable rate debt, the annual pretax income would change by \$288,855.

#### Commodity Price Risk

The Company hedges a portion of its price risks associated with its oil and natural gas sales which are classified as derivative instruments. As of September 30, 2004, these derivative instruments' liabilities had a fair value of \$3,013,131. A hypothetical change in oil and gas prices could have an effect on oil and gas futures prices, which are used to estimate the fair value of our derivative instrument. However, it is not practicable to estimate the resultant change, in any, in the fair value of our derivative instrument.

### ITEM 4. PROCEDURES AND CONTROLS

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As of September 30, 2003, an evaluation was performed under the supervision and with the participation of the Company's management, including the CEO and Vice President of Finance, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on that evaluation, the Company's management, including the CEO and Vice President of Finance, concluded that the Company's disclosure controls and procedures were effective as of September 30, 2004. There have been no significant changes in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to September 30, 2004.

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## PART II. OTHER INFORMATION

### ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

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The annual meeting of shareholders was held on July 8, 2004 to consider: Proposal 1 which was the election of five persons to the board of directors of the Company (the "Board"); Proposal 2 which was the approval of the amendment of the Company's Articles of Incorporation to increase the number of shares of

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Class A Common Stock, par value \$.001 per share ("Common Stock") that the Company will have authority to issue from 40,000,000 to 80,000,000 shares; and, to transact such other business as might properly come before the meeting. Of the 18,492,541 outstanding shares of Common Stock, there were present, in person or by proxy, shareholders holding a total of 15,651,898 (84.6%) of the shares.

Five candidates for director were presented by the Board: J. Virgil Waggoner, Marshall A. Smith III, Thomas R. Kaetzer, John E. Loehr and M. Scott Manolis. Of the 15,651,898 shares of Common Stock present in person or by proxy and entitled to be voted at the meeting, 15,651,650 votes were cast for each of the nominees for director of the Corporation (except for 2,000 votes withheld for Mr. Waggoner, 2,900 votes withheld for Mr. Kaetzer, 2,900 votes withheld for Mr. Loehr and 29,300 votes withheld for Mr. Smith). No votes were cast against the nominees. All five candidates were declared duly and validly elected members of the Board, each to serve until the next annual meeting of shareholders or until his respective successor has been elected and qualified. Following the shareholders' meeting, the Board elected Mr. J. Virgil Waggoner as Chairman of the Board.

Of the 15,651,898 shares of Common Stock present in person or by proxy and entitled to be voted at the meeting, 15,574,033 votes (99.5%) were cast for Proposal 2, 11,365 votes were cast against and 66,500 votes were cast as abstentions. Proposal 2 passed and was approved.

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ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

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(a) Exhibits -

Number	Description
-----	-----
*3.1	Articles of Incorporation of the Registrant and Amendments thereto.
&3.3	Amendment to the Company's Articles of Incorporation to increase Common Stock that the Company will have authority to issue from 20 approved by the Shareholders on November 19, 1999 and filed with the December 3, 1999.
#3.2	Amendment to the Articles of Incorporation of the Registrant changed to "GulfWest Energy Inc.", approved by the Shareholders on May 21, 2001.
*3.4	Bylaws of the Registrant.
#10.1	GulfWest Oil Company 1994 Stock Option and Compensation Plan, amended 2001, and approved by the shareholders on May 18, 2001.
31.1	Certification of Chief Executive Officer pursuant to Exchange rule 302 to Section 302 of the Sarbanes-Oxley Act of 2002; filed herewith.
31.2	Certification of Chief Financial Officer pursuant to Exchange rule 302 to Section 302 of the Sarbanes-Oxley Act of 2002; filed herewith.
32	Certification pursuant to 18. U.S.C Section 1350 pursuant to Section

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of 2002; filed herewith.

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\* Previously filed with the Registrant's Registration Statement (on  
filed with the Commission on October 21, 1992.  
& Previously filed with the Registrant's Definitive Proxy Statement  
October 18, 1999.  
# Previously filed with the Registrant's Definitive Proxy Statement  
April 16, 2001.  
(b) Form 8-K - None.

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SIGNATURES

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

GULFWEST ENERGY INC.  
(Registrant)

Date: November 10, 2004

by: /s/ Thomas R. Kaetzer

-----  
Thomas R. Kaetzer  
President

Date: November 10, 2004

by: /s/ Jim C. Bigham

-----  
Jim C. Bigham  
Executive Vice President and Secretary

Date: November 10, 2004

By: /s/ Richard L. Creel

-----  
Richard L. Creel  
Vice President of Finance

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