AMEN PROPERTIES INC
Form 10QSB
November 15, 2007

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-QSB

[X] Quarterly Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934
For the Period Ended September 30, 2007

or

[ ] Transition Report Pursuant to Section 13 or 15 (d) of the Securities Exchange Act of 1934 For the Transition Period From __________to_________.

Commission file number 000-22847

AMEN Properties, Inc.
(Exact Name of Small Business Issuer as Specified in Its Charter)

Delaware	54-1831588
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

303 W. Wall Street, Suite 2300
Midland, TX 79701
(Address of Principal Executive Offices)

(432-684-3821)
(Issuer's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Check whether the issuer (1) 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 periods 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 | |

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

Applicable Only to Issuers Involved in Bankruptcy
Proceedings During the Preceding Five Years

Check whether the registrant filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of

securities under a plan confirmed by a court. Yes | | No | |

Applicable Only to Corporate Issuers

State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practical date:

Common Stock, $ .01 Par Value: 3,713,789 shares outstanding as of October 18, 2007.

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

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32.1 Certification of Chief Executive Officer Pursuant to 18 USC ss. 1350.
32.2 Certification of Chief Financial Officer Pursuant to 18 USC ss. 1350.

AMEN Properties, Inc. and Subsidiaries
CONSOLIDATED BALANCE SHEET
September 30, 2007
(Unaudited)

ASSETS

CURRENT ASSETS			
Cash and Cash Equivalents (notes A3 and E)	$	2,596,101	
Accounts Receivable, net of Allowance of $12,865 (note A6)		1,999,457	
Other Current Assets, net of Allowance of $233,000 (note A7)		149,435	
Total Current Assets			$
RESTRICTED CASH EQUIVALENTS (note E)			
PROPERTY and EQUIPMENT (note F)			
INVESTMENT IN REAL ESTATE (notes C and G)			
ROYALTY INTERESTS, at cost net of Accumulated Depletion (note H)			
LONG-TERM INVESTMENTS (note I)			
OTHER ASSETS			
Goodwill (see note B)		2,916,085	
Deposits and Other Assets (note J)		508,981	
Total Other Assets			
TOTAL ASSETS			$

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES			
Accounts Payable	$	919,286	
Investment Margin Account Payable (note I)		1,251,205	
Accrued Liabilities (note K)		898,260	
Current Portion of Non-Related Party Long-Term Obligations (note M)		113,183	
Current Portion of Related Party Long-Term Obligations (note M)		384,856	
Deferred Revenue (note A14)		64,559	
Total Current Liabilities			$
LONG-TERM OBLIGATIONS			
Non-Related Party (note M)		760,225	
Related Parties (notes M and N)		1,994,754	
Total Long-Term Obligations			
MINORITY INTEREST (note A16)			

COMMITMENTS and CONTINGENCIES (note O)	
STOCKHOLDERS' EQUITY (note P)	
Common Stock - $0.01 Par Value - 20,000,000 shares authorized 3,713,789 Shares Issued and Outstanding (note A17)	37,138
Additional Paid-In Capital	45,064,991
Accumulated Deficit	(35,063,426)
Accumulated Other Comprehensive Income (Loss)	(57,474)
Total Stockholders' Equity	
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$

The accompanying summary of accounting policies and footnotes are an integral part of these cons financial statements.

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AMEN Properties, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(Unaudited)

	For the Three Months Ended September 30,		For the Nine Mon September	
	2007	2006	2007	
Operating Revenue (note A18):				
Rental Revenue (note C)	$ --	$ 834,128	$ --	$
Energy Management Fees (note B)	1,218,381	809,217	3,069,625	
Retail Electricity Revenue	3,171,945	1,956,012	8,146,175	
Total Operating Revenue	4,390,326	3,599,357	11,215,800	
Operating Expenses:				
Cost of Goods and Services	3,180,410	1,934,621	7,404,448	
Rental Property Operations	--	631,300	--	
General and Administrative	903,881	539,056	2,450,249	
Depreciation, Amortization and Depletion	38,999	112,022	68,519	
Corporate Tithing	36,186	--	157,569	
Total Operating Expenses	4,159,476	3,216,999	10,080,785	
Income from Operations	230,850	382,358	1,135,015	
Other (Expense) Income				

Interest Income		106,312		61,023		247,479	
Interest Expense		(89,048)		(343,344)		(220,478)	
Gain on Sale of Investments (note C)		--		1,405,495		--	
Equity Income From Real Estate Investment		8,908		--		81,627	
Other Income		20,956		(209,399)		50,789	
Total Other (Expense) Income		47,128		913,775		159,417	
Income Before Income Taxes and Minority Interest		277,978		1,296,133		1,294,432	
Income Taxes (note A13)		--		--		--	
Minority Interest		--		(3,547)		900	
NET INCOME	$	277,978	$	1,292,586	$	1,295,332	$
Net Income Per Common Share - Basic	$	.10	$	.56	$	.77	$
Net Income per Common Share - Diluted	$	.07	$	.35	$	.51	$
Weighted Average Number of Common Shares Outstanding - Basic		2,755,031		2,290,589		2,447,104	
Weighted Average Number of Common Shares Outstanding - Diluted		3,708,932		3,723,950		3,692,820	
Other Comprehensive Income:							
Net Income	$	277,978	$	1,292,586	$	1,295,332	$
Unrealized Gain / (Loss) on Investment		(56,176)		--		(57,474)	
Comprehensive Income	$	221,802	$	1,292,586	$	1,237,858	$

The accompanying summary of accounting policies and footnotes are an integral part of these cons financial statements.

AMEN Properties, Inc. and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Nine Months Ended September 30,
(Unaudited)

		2007	
Cash Flows from Operating Activities			
Net Income	$	1,295,332	$
Adjustments to Reconcile Net Income to Net Cash Provided By			

Operating Activities:		
Depreciation, Amortization and Depletion		68,519
Gain on Sale of Investments		--
Equity Income from Real Estate Investment		(81,627)
Minority Interest		(900)
Changes in Operating Assets and Liabilities:		
Accounts Receivable		(600,225)
Allowance for Doubtful Accounts		207,124
Other Receivables		(350,809)
Deposits and Other Assets		8,817
Deferred Costs		--
Accounts Payable		323,997
Accrued and Other Liabilities		304,621
Deferred Revenue		33,774
Net Cash Provided By Operating Activities		1,208,623
Cash Flows from Investing Activities:		
Purchase of Property and Equipment		(83,014)
Investment in Real Estate		(478,491)
Increase in Restricted Cash Equivalents		--
Sales and Maturity of Investments		--
Increase in Long Term Investments		(2,186,354)
Net Cash Used in Acquisition of Cogdill Enterprises, Inc.		(6,000)
Repayments of Notes Receivable		--
Net Cash (Used in) Provided By Investing Activities		(2,753,859)
Cash Flows from Financing Activities:		
Repayments of Long-Term Obligations		(353,371)
Net Proceeds from Exercised Warrants		37,500
Minority Interest Distributions		--
Net Cash Used In Financing Activities		(315,871)
Net (Decrease) / Increase in Cash and Cash Equivalents		(1,861,107)
Cash and Cash Equivalents at Beginning of Period		4,457,208
Cash and Cash Equivalents at End of Period	$	2,596,101 $
Non-Cash Investing and Financing Activities:		
Unrealized Loss on Marketable Securities	$	(57,474)
Effective April 1, 2006 the Company acquired 100% of Priority Power Management and assumed a note payable to sellers		-- $
On September 27, 2006 the Company distributed certain net assets to minority interest holders (note C)		--
Long Term Investment Financed with Margin Account		1,251,205
Effective August 31, 2007 the Company acquired 100% of Cogdill Enterprises, Inc. and assumed a note payable to sellers		456,740
Effective August 31, 2007 the Company acquired 100% of Cogdill Enterprises, Inc. and acquired contract rights		(456,740)
Issuance of common stock for compensation		(71,336)

The accompanying summary of accounting policies and footnotes are an integral part of these conso

financial statements.

AMEN Properties, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
September 30, 2007

NOTE A - DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization

Effective October 2002, AMEN formed NEMA Properties, LLC ("NEMA"), a Nevada limited liability company; AMEN Minerals, LP ("Minerals"), a Delaware limited partnership; and AMEN Delaware, LP ("Delaware"), a Delaware limited partnership, to pursue acquisitions as authorized by stockholders on September 19, 2002. AMEN Properties, Inc. and Subsidiaries is a self-administered and self-managed Delaware corporation. Effective July 2004, AMEN Properties, Inc. and Subsidiaries and affiliates (collectively referred to as the "Company") formed W Power and Light, LP ("W Power"), a Delaware limited partnership to enter into the retail electricity market in Texas. Effective April 1, 2006, AMEN Properties acquired 100% of Priority Power Management, Ltd. a Texas limited partnership, and Priority Power Management, Dallas, Ltd. a Texas limited partnership, (collectively referred to as "Priority Power"). Priority Power is primarily involved in providing energy management services and the Company believes that Priority Power's business is complimentary to the retail electricity provider business conducted by the Company's subsidiary W Power.

The Company's business purpose is to acquire strong cash-flowing businesses or assets in energy-related industries. As of March 31, 2007, the Company, through Delaware's investment in a real estate joint venture, has a commercial real estate portfolio consisting of an ownership of approximately 18% in two office properties located in Midland, Texas comprising an aggregate of approximately 428,560 square feet of gross leasable area. Through its investment in Minerals, AMEN has acquired an investment interest in an oil and gas royalty trust and other oil and gas royalties. Through the Company's investment in W Power, Amen entered the retail electricity market in the state of Texas. On April 1, 2006, the Company, through it's investment in Priority Power, began aggregating electric consumers and negotiating power prices on their behalf with retail electric providers. The real estate operations of the Company are primarily conducted through Delaware of which AMEN is the sole general partner; the retail electricity operations are primarily conducted through W Power of which Amen is the sole general partner; the aggregation of electric consumers is primarily conducted through Priority Power of which Amen is the sole general partner.

2. Basis of Presentation

The consolidated financial statements include the accounts of the Company and its majority-owned/controlled subsidiaries and affiliates. Inter-company balances and transactions have been eliminated.

Management uses estimates and assumptions in preparing the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses

in the consolidated financial statements, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

AMEN Properties, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
September 30, 2007
(Unaudited)

3. Cash Equivalents

The Company considers cash on hand, cash on deposit in banks, money market mutual funds and highly liquid debt instruments purchased with a maturity of three months or less to be a cash equivalent.

4. Investments

The Company invests in U.S. government bonds and treasury notes, municipal bonds, certificates of deposit, corporate bonds and other securities. Investments with original maturities greater than three months but less than twelve months from the balance sheet date are short-term investments. Those investments with original maturities greater than twelve months from the balance sheet date are long-term investments.

The Company's marketable securities are classified as available-for-sale as of the balance sheet date, and are reported at fair value with unrealized gains and losses, net of tax, recorded in stockholders' equity. Realized gains or losses and permanent declines in value, if any, on available-for-sale investments are reported in other income or expense as incurred.

5. Fair Value of Financial Instruments

The carrying value of cash and cash equivalents, investments, accounts receivable, notes receivable, and accounts payable approximate fair value because of the relatively short maturity of these instruments. The fair value of the fixed rate debt, based upon current interest rates for similar debt instruments with similar payment terms and expected payoff dates, would be approximately $2,898,972 as of September 30, 2007. Disclosure about fair value of financial instruments is based on pertinent information available to management as of September 30, 2007.

6. Accounts Receivable

Management regularly reviews accounts receivable and estimates the necessary amounts to be recorded as an allowance for doubtful accounts.

W Power's unbilled revenue is accrued based on the estimated amount of unbilled power delivered to customers using the average customer billing rates. Unbilled revenue also includes accruals for estimated Transmission and Distribution Service Provider ("TDSP") charges and monthly service charges applicable to the estimated usage for the period.

The Company estimated the allowance for doubtful accounts related to W Power's billed accounts receivable to be approximately .2% of W Power's retail electricity billed revenue. Due to the limited historical data, the Company regularly reviews the accounts receivable and accordingly makes adjustments in estimating the allowance for doubtful accounts.

The Company has a relationship with a reseller which markets W Power's services on a pre-pay basis. Receivables and the associated reserves are reflected in the Other Current Assets line on the Balance Sheet (Note A7).

Priority Power trade accounts receivable arise from aggregation fees and other management services. An allowance for doubtful accounts is provided, when considered necessary by management, for estimated amounts not expected to be collectible. No allowance was provided or deemed necessary at September 30, 2007.

At September 30, 2007, accounts receivable consisted of the following:

Billed electricity receivables	$	430,109
Unbilled electricity receivables		1,014,695
Billed Aggregation fees		388,285
Unbilled Aggregation fees		141,733
Allowance for doubtful accounts		(12,865)
Other receivables		37,500
Accounts receivable, net	$	1,999,457

7. Other Current Assets

The Company has a relationship with a reseller which markets W Power's services on a pre-pay basis. During the third quarter, the reseller's receivable balance grew to over $300 thousand due to cash flow issues caused by billing issues and customer turnover. The Company has collateralized a portion of this receivable balance and has increased the allowance for doubtful accounts by $233 thousand specifically for this account.

At September 30, 2007, Other Current Assets consisted of the following:

Power reseller receivables		317,143
Allowance for doubtful accounts		(233,000)
Miscellaneous current assets and receivables		59,292
Other Current Assets, net	$	149,435

8. Depreciation, Amortization and Depletion

Property and equipment are stated at cost. Depreciation is determined using the straight-line method over the estimated useful lives ranging from three to 36.5 years. Royalty acquisitions are stated at cost. Depletion is determined using the units-of-production method based on the estimated oil

and gas reserves.

9. Impairment of Long-Lived Assets

The Company periodically evaluates the recoverability of the carrying value of its long-lived assets and identifiable intangibles by monitoring and evaluating changes in circumstances that may indicate that the carrying amount of the asset may not be recoverable. Examples of events or changes in circumstances that indicate that the recoverability of the carrying amount of an asset should be assessed include but are not limited to the following: a significant decrease in the market value of an asset, a significant change in the extent or manner in which an asset is used or a significant physical change in an asset, a significant adverse change in legal factors or in the business climate that could affect the value of an asset or an adverse action or assessment by a regulator, an accumulation of costs significantly in excess of the amount originally expected to acquire or construct an asset, and/or a current period operating or cash flow loss combined with a history of operating or cash flow losses or a projection or forecast that demonstrates continuing losses associated with an asset used for the purpose of producing revenue.

The Company considers historical performance and anticipated future results in its evaluation of potential impairment. Accordingly, when indicators or impairments are present, the Company evaluates the carrying value of these assets in reaction to the operating performance of the business and future discounted and nondiscounted cash flows expected to result from the use of these assets. Impairment losses are recognized when the sum of expected future cash flows are less than the assets' carrying value.

10. Investment in Real Estate

As discussed in Note C to the consolidated financial statements, in September 2006 the Company sold a significant interest in certain real estate and contributed its retained 18.017% undivided ownership interest in the real estate to a joint venture in which the Company has significant continuing involvement.

The Company's investment in real estate joint venture is recorded at its remaining net cost, adjusted for its 18.017% joint venture share of earnings (loss) using the equity method of accounting, and joint venture cash contributions and distributions.

As discussed in Note G, on March 19, 2007 the Company exchanged its 18.017% joint venture interest for a 17.8% interest in a real estate limited partnership. The Company will continue to use the equity method of accounting for its 17.8% limited partnership interest.

11. Goodwill

The Company follows the provisions of Statement of Financial Accounting Standards (SFAS) No. 142, "Goodwill and Other Intangible Assets". SFAS No.

142 requires that goodwill and other intangible assets with investment lives no longer be amortized. The intangible assets are tested for impairment annually. If there is impairment, the amount will be expensed and the intangible assets will be written down accordingly.

12. Stock-Based Compensation

On January 1, 2006 the Company adopted Statement of Financial Accounting Standards (SFAS) No. 123(R), Accounting for Stock-Based Compensation, to account for its stock-based compensation. In December 2004, the Financial Accounting Standards Board issued SFAS 123(R) effective for small business issuers after December 15, 2005. The new Statement requires mandatory reporting of all stock-based compensation awards on a fair value basis of accounting. Generally, companies are required to calculate the fair value of all stock awards and amortize that fair value as compensation expense over the vesting period of the awards.

13. Income Taxes

The Company accounts for income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes". Under this method, deferred tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities, and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. For the period ended September 30, 2007, no income tax expense has been incurred due to the utilization of the Company's net operating losses. After submitting its 2006 Federal income tax return, the Company had a net operating loss carryforward of approximately $29.5 million.

14. Deferred Revenue

Deferred revenue consists of prepaid aggregation fees. Deferred revenue is amortized over the life of the aggregation contract for prepaid aggregation fees.

15. Corporate Tithing

The Company shall, to the extent permitted by law, expend from the revenues of the Company such sums as are deemed prudent by the Board of Directors to support, encourage, or sustain persons or entities which in the judgment of the Board of Directors are expected to make significant efforts to propagate the Gospel of Jesus Christ in any manner not in conflict with the Statement of Faith. Such expenditures may be made without regard to the tax status or nonprofit status of the recipient. It is expected that the expenditures paid out under the provisions of this policy shall approximate ten percent (10%) of the amount that would otherwise be the net profits of the Company for the accounting period.

16. Minority Interest

Minority interest represents the interest of unit holders of TCTB Partners, Ltd. ("TCTB"), other than the Company, in the net earnings and net equity of TCTB. The unit holder minority interest is adjusted at the end of each

September 30, 2007
(Unaudited)

period to reflect the ownership at that time. The unit holder minority interest in TCTB was approximately 28.7% at September 30, 2007 and 2006.

17. Contingently Convertible Securities

On August 31, 2007, the Company converted all classes of its Preferred Stock into 1,349,764 shares of the Company's Common Stock as shown in the following table:

Series	Number of Shares	Purchase Price	Conversion Rate	Number of Common Shares
A	80,000	$ 2,000,000	$ 3.2444	616,447
B	50,000	500,000	3.2444	154,111
B	10,000	100,000	3.424	29,206
B	20,000	200,000	4.000	50,000
C	125,000	2,000,000	4.000	500,000

The contingently convertible securities have not been included in the calculation of diluted earnings per share for any periods in which their effect is antidilutive.

18. Revenue Recognition

The Company records electricity sales under the accrual method and these revenues are recognized upon delivery of electricity to the customers' meters. Electric services not billed by month-end are accrued based upon estimated deliveries to customers as tracked and recorded by the Electric Reliability Council of Texas ("ERCOT") multiplied by the Company's average billing rate per kilowatt hour ("kwh") in effect at the time ("the flow technique").

The flow technique of revenue calculation relies upon ERCOT settlement statements to determine the estimated revenue for a given month. Supply delivered to our customers for the month, measured on a daily basis, provides the basis for revenues. ERCOT provides net electricity delivered data in three phases. Initial daily settlements become available approximately 17 days after the settlement date. Approximately 45 days after the settlement date, a resettlement is provided to adjust the initial settlement to the actual supply delivered based on subsequent comparison of prior forecasts to actual meter reads processed. A final resettlement is provided approximately 180 days after power is delivered, marking the last routine settlement adjustment to the power deliveries for that day.

Sales represent the total proceeds from energy sales, including pass through charges from the TDSPs billed to the customer at cost. Cost of goods and services ("COGS") include electric power purchased, sales commissions, and pass through charges from the TDSPs in the areas serviced by the Company. TDSP charges are costs for metering services and maintenance of the electric grid. TDSP charges are determined by regulated tariffs established by the Public Utility Commission of Texas ("PUCT").

Bilateral wholesale costs are incurred through contractual arrangements with wholesale power suppliers for firm delivery of power at a fixed volume and fixed price. The Company is typically invoiced for these wholesale volumes at the end of each calendar month for the volumes purchased for delivery during the month, with payment due 10 to 20 days after the end of the month.

Balancing/ancillary costs are based on the aggregate customer load and are determined by ERCOT through a multiple step settlement process. Balancing costs/revenues are related to the differential between supply provided by the Company through its bilateral wholesale supply and the supply required to serve the Company's customer load. The Company endeavors to minimize the amount of balancing/ancillary costs through its load forecasting and forward purchasing programs.

The Company's gross revenues for aggregation and other services to our customers are recognized upon delivery and include estimated aggregation fees and other services delivered but not billed by the end of the period.

As of September 30, 2007, the Company recorded unbilled revenue of $141,733 for aggregation fees. Accrued unbilled revenues are based on our estimates of customer usage since the date of the last meter reading provided by the independent system operators or electric distribution companies. Volume estimates are based on average daily volumes, estimated customer usage and applicable customer aggregation rates. Unbilled revenues are calculated by multiplying volume estimates by our estimated rates by customer. Estimated amounts are adjusted when actual usage and rates are known and billed.

19. Advertising Expense

All advertising costs are expensed when incurred. Advertising expenses were approximately $171,467 and $11,007 for the nine months ended September 30, 2007 and 2006, respectively.

20. Income Per Share

Income per share is computed based on the weighted average common shares and common stock equivalents outstanding during each period. The Series A, Series B and Series C Convertible Preferred Stock are not included in the computation of diluted earnings per share for any periods in which their effect is antidilutive.

21. Environmental

The Company is subject to extensive federal, state and local environmental laws and regulations. These laws regulate asbestos in buildings that require the Company to remove or mitigate the environmental effects of the disposal of the asbestos at the buildings.

Environmental costs that relate to current operations are expensed or capitalized as appropriate. Costs are expensed when they relate to an existing condition caused by past operations and will not contribute to current or future revenue generation. Liabilities related to environmental assessments and/or remedial efforts are accrued when property or services are provided or can be reasonably estimated.

22. New Accounting Pronouncements

In February 2006, the FASB issued SFAS No. 155, Accounting for Certain Hybrid Financial Instruments - an amendment of FASB Statements No. 133 and 140. This Statement amends FASB Statement No.133, Accounting for Derivative Instruments and Hedging Activities, and No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities. This Statement resolves issues addressed in Statement 133 Implementation Issue No. D1, "Application of Statement 133 to Beneficial Interests in Securitized Financial Assets." The provisions of this Statement shall be effective for financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006.

In March 2006, the FASB issued SFAS No. 156, Accounting for Servicing of Financial Assets - an amendment of FASB Statement No. 140. This Statement amends FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities, with respect to the accounting for separately recognized servicing assets and servicing liabilities. The provisions of this Statement shall be effective as of the beginning of an entity's first fiscal year that begins after September 15, 2006.

In September 2006, the FASB issued SFAS No. 157, Fair Value Measurements. This statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. The provisions of this Statement shall be effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years.

In September 2006, the FASB issued SFAS No. 158, Employer's Accounting for Defined Benefit Pension and Other Postretirement Plans - an amendment to FASB Statement No. 87, 88, 106, and 132R. This Statement improves financial reporting by requiring an employer to recognize the over funded or under funded status of a defined benefit postretirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year in which the changes occur through comprehensive income of a business entity or changes in unrestricted net assets of a no-for-profit organization. An employer with publicly traded equity securities shall initially apply the requirement to recognize the funded status of a benefit plan and the disclosure requirements as of the end of the fiscal year ending after December 15, 2006. An Employer without publicly traded equity securities shall initially apply the requirements as of the end of the fiscal year ending after June 15, 2007.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities - Including an amendment of FASB Statement No. 115. This Statement permits entities to choose to measure many financial instruments and certain other items at fair value. The objective is to improve financial reporting by providing entities with the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently without having to apply complex hedge accounting provisions. This Statement is expected to expand the use

of fair value measurement, which is consistent with the Board's long-term measurement objectives for accounting for financial instruments. The provisions of this Statement shall be effective as of the beginning of each reporting entity's first fiscal year that begins after November 15, 2007; this Statement should not be applied retrospectively to fiscal years beginning prior to the effective date, except as permitted in paragraph 30 for early adoption.

Management does not believe the new pronouncements will have a material impact on its financial statements.

NOTE B - BUSINESS COMBINATIONS

On May 25, 2006, the Company completed the acquisition of 100% of Priority Power Management ("PPM"), effective April 1, 2006, for an aggregate consideration of $3,730,051. Priority Power is primarily involved in providing energy management services and the Company believes that Priority Power's business is complimentary to the retail electricity provider business conducted by the Company's subsidiary W Power. The acquisition resulted in the Company allocating $2,916,085 of the purchase price to goodwill.

On September 11, 2007 the Company announced the acquisition of 100% of Cogdill Enterprises, Inc. ("CEI"), effective August 31, 2007 for an aggregate consideration of $6,000 and a obligation to pay 95% of the total revenues actually received by the Company each month directly as a result of the contracts originated by Trenton Cogdill for and on behalf of CEI prior to August 31, 2007. CEI provides energy consulting services to over 1,200 religious and related organizations in Texas and the Company believes that CEI's business will integrate with the Company's PPM subsidiary.

NOTE C - DISPOSITION OF ASSETS

Effective September 27, 2006, the Company entered into an Agreement to Distribute Assets with and among the partners of TCTB Partners, Ltd. The assets consisted of the following: the twenty-four-story Bank of America Tower, where the Company's headquarters are located, which was completed in 1977 and encompasses 329,178 rentable square feet and a 900 space-parking garage; the related Bank of America 12-lane drive through banking facility; and the twelve story Century Plaza Tower which was built in 1979 (renovated in 1990) and has 99,422 rentable square feet. The Properties constituted substantially all of the assets of TCTB prior to the transactions described herein and were subject to a lien to secure a promissory note payable to Wells Fargo Bank Texas, N.A. The Bank agreed to allow TCTB to distribute the assets to the partners of TCTB in exchange for the payoff of the note as described below. The asset distribution to the TCTB minority interest partners resulted in an approximate $369,000 reduction in minority interest.

Contemporaneous with the distribution of the Properties, the Company along with the General Partner and the other Limited Partners of TCTB collectively agreed to sell and sold 75% of their collective undivided

interest in the Properties to Hampshire Plaza Garage, LLC and S.E.S. Investments, Ltd., unaffiliated third party purchasers for a privately negotiated price of $9.0 million. This resulted in the Company, through its wholly owned subsidiary Amen Delaware, LP, selling approximately 74% of its undivided interest in the distributed assets for approximately $6.4 million (net proceeds of approximately $3,570,500) with a gain on the sale of approximately $1,405,500. The sale of approximately 74% of the Company's original 71.348% interest in the assets resulted in the Company retaining approximately 18.017% in an investment in real estate aggregating $1,687,238.

In connection with the Agreement to Distribute Assets the restricted $2.1 million certificate of deposit that secured the Note was applied to the outstanding balance of the Note resulting in the Note balance of approximately $3.7 million being distributed to the partners of TCTB Partners, Ltd., approximately $2.6 million net to the Company. The Note was subsequently paid in full on October 2, 2006 through the application of approximately $3.9 million of the $9.0 million sales proceeds under the Purchase Agreement received on October 2, 2006. The remaining $5.0 million of the sales proceeds (after closing costs) were paid to the Selling Partners in accordance with their respective interests in the Properties (approximately $3.5 million to the Company). On October 3, 2006 the Company used a portion of the net proceeds from the sale to pay the remaining balance (approximately $1.7 million) on certain promissory notes entered into by the Company in connection with its acquisition of partnership interests in TCTB (including approximately $266,000 to Mr. Jon Morgan, President and COO of the Company, and approximately $410,000 to an affiliate of Mr. Eric Oliver, Chairman of the Board and CEO of the Company.

NOTE D - CONCENTRATIONS OF CREDIT RISK

The Company maintains cash balances at four financial institutions, which at times may exceed federally insured limits. At September 30, 2007 and 2006 the Company had approximately $2,098,153 and $2,270,635, respectively, of uninsured cash and cash equivalents. The Company has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risks on such accounts.

W Power and Priority Power's revenues are derived principally from uncollateralized customer electricity billings and TCTB's revenues are derived principally from uncollateralized rents from tenants. The concentration of credit risk in a limited number of industries affects its overall exposure to credit risk because customers may be similarly affected by changes in economic and other conditions.

NOTE E - RESTRICTED CASH EQUIVALENTS

On October 18, 2005, the Company entered into a continuing agreement for commercial and standby letters of credit (the "Letters of Credit") with JPMorgan Chase Bank, N.A., Houston, Texas, ("Chase"). Under the agreement Chase may, but is not obligated to, issue one or more standby or commercial letters of credit on behalf of W Power. The Letters of Credit are generally required in the normal course of business operations to support the Company's obligations to collateralize certain obligations to electric power providers, TDSPs, and ERCOT. Currently the Letters of Credit bear an interest rate of seven-tenths of one percent (0.70%) payable quarterly in advance. In order to support the Letters of Credit, the Company, Chase and JP Morgan Securities, Inc. ("JPMorgan") maintain a tri-party control agreement that creates a security interest in favor of Chase in a certain Money Market Fund the Company maintains with JPMorgan. At September 30,

2007, the Company had deposits with JPMorgan totaling $2,197,000 collateralizing outstanding Letters of Credit.

NOTE F - PROPERTY AND EQUIPMENT

Property and equipment, at cost, consisted of the following at September 30, 2007:

Furniture, fixtures and equipment	$	298,092
Less: accumulated depreciation		(135,049)
	$	163,043

Depreciation expense for the nine months ended September 30, 2007 and 2006 was $43,348 and $313,034, respectively. Included in the $313,034 of 2006 depreciation expense is $275,984 of depreciation related to the buildings sold on September 29, 2006.

NOTE G - INVESTMENT IN REAL ESTATE

As discussed in Note C, effective September 27, 2006, the Company entered into an Agreement to Distribute Assets with and among the partners of TCTB Partners, Ltd. Contemporaneous with the distribution of the assets, the Company along with the General Partner and the other Limited Partners of TCTB collectively agreed to sell and sold 75% of their collective undivided interest in the assets. The sale of the Company's undivided interest in the assets resulted in the Company retaining approximate 18.017% undivided interest in the assets (see note C). On March 19, 2007, the Company contributed its 18.017% real estate interest and cash of $478,491 to a real estate limited partnership.

At September 30, 2007, investment in real estate consisted of the following:

Real estate investment	$	2,208,676
Equity in Undistributed Income from Real Estate Investment		81,627
	$	2,290,303

NOTE H - ROYALTY INTERESTS

The Company currently owns two separate royalty interests, one in the state of Texas and one in the state of Oklahoma. The total consideration paid by the Company for the royalty interests was $162,854. Under accounting principles generally accepted in the United States of America, revenues and

expenses are recognized on an accrual basis. Royalty income is generally received one to two months following the month of production and the Company uses estimates to accrue royalty income.

Depletion expense for the nine months ended September 30, 2007 and 2006 was $2,506 and $6,324, respectively, and accumulated depletion was $35,583 and $32,560, respectively.

NOTE I - LONG-TERM INVESTMENTS

Securities available-for-sale in the accompanying balance sheet at September 30, 2007 totaled $3,442,435. The aggregate market value, cost basis, and unrealized gains and losses of securities available-for-sale, by major security type are as follows:

	Market Value	Cost Basis	Un
Santa Fe Energy Trust (SFF) Common Stock	$ 3,380,085	$ 3,437,560	$
Other Securities	62,350	62,350	
Total	$ 3,442,435	$ 3,499,910	$

AMEN Properties, Inc. and Subsidiaries
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At September 30, 2007, the SFF investments were pledged to secure related investment margin account payable of $1,251,205.

NOTE J - AMORTIZATION OF INTANGIBLE ASSETS

Deposits and Other Assets included $434,075 of intangible contract right assets at September 30, 2007. These contract right assets are net of amortization expense of $22,665 and $0 for the nine months ended September 30, 2007 and 2006, respectively. Amortization expense of intangible contract right assets was $22,665 and $0 for the quarter ended September 30, 2007 and 2006.

NOTE K - ACCRUED LIABILITIES

Accrued liabilities consisted of the following at September 30, 2007:

TDSP (Electricity Delivery) Charges	$ 153,335
Sales Tax	114,464
Corporate Tithing	298,620

Executive Bonuses		108,422
Customer Deposits		163,818
Other		59,601
	$	898,260

NOTE L - OPERATING SEGMENTS

The Company's business activities are mainly comprised of three reportable segments, real estate operations, a retail electricity provider ("REP"), and retail energy consulting and aggregation services.

The commercial real estate portfolio consists of the Company's investment in a real estate joint venture (see notes C and G), consisting of an ownership of approximately 18% in two office properties located in Midland, Texas comprising an aggregate of approximately 428,560 square feet of gross leasable area.

The Company entered the retail electricity market in the state of Texas in July 2004. The retail electricity operations are primarily conducted through W Power of which the Company is the sole general partner. The REP segment sells electricity and provides the related billing, customer service, collection and remittance services to both residential and commercial customers.

On April 1, 2006, the Company, through its investment in Priority Power, began energy consulting, aggregation and negotiation services for electric consumers. The aggregation of electric consumers is primarily conducted through Priority Power of which Amen is the sole general partner.

Each segment's accounting policies are the same as those described in the summary of significant accounting policies and the following tables reflect totals for quarter and nine months ended September 30, 2007 and 2006, respectively.

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Three Months Ended September 30, 2007:

	REP	Real Estate Operations	Energy Management Services	Other and Corporate
Revenues from external customers	$ 3,171,945	$ --	$ 1,218,381	$ -- $
Revenues from other				

		REP		Real Estate Operations		Energy Management Services		Other and Corporate	
operating segments	$	--	$	--	$	7,265	$	--	$
Depreciation, amortization and depletion	$	5,394	$	--	$	29,491	$	4,114	$
Interest expense	$	3,924	$	--	$	1,310	$	83,814	$
Segment net income (loss)	$	33,998	$	14,762	$	490,229	$	(213,953)	$
Segment assets	$	4,632,298	$	2,368,304	$	2,377,664	$	6,945,516	$
Goodwill	$	--	$	--	$	--		2,916,085	$
Expenditures for segment assets	$	2,720	$	--	$	6,944	$	810,568	$

Three Months Ended September 30, 2006:

		REP		Real Estate Operations		Energy Management Services		Other and Corporate	
Revenues from external customers	$	1,956,012	$	834,128	$	809,217	$	--	$
Revenues from other operating segments	$	305,461	$	5,411	$	--	$	--	$
Depreciation, amortization and depletion	$	3,876	$	102,270	$	4,583	$	1,293	$
Interest expense	$	60,325	$	276,769	$	62,582	$	--	$
Segment net income (loss)	$	(78,124)	$	12,382	$	425,750	$	988,372	$
Segment assets	$	3,859,107	$	218,984	$	1,075,279	$	12,368,839	$
Goodwill	$	--	$	--	$	--	$	--	$
Expenditures for segment assets	$	5,722	$	325,263	$	13,694	$	2,245	$

AMEN Properties, Inc. and Subsidiaries
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
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Nine Months Ended September 30, 2007:

	REP	Real Estate Operations	Energy Management Services	Other and Corporate	
Revenues from external customers	$ 8,146,175	$ --	$ 3,069,625	$ --	$
Revenues from other operating segments	$ --	$ --	$ 20,925	$ --	$
Depreciation, amortization and depletion	$ 14,145	$ --	$ 42,221	$ 12,153	$
Interest expense	$ 11,739	$ --	$ 1,310	$ 207,429	$
Segment net income (loss)	$ 615,037	$ 96,032	$ 1,402,787	$ (661,061)	$
Segment assets	$ 4,632,298	$ 2,368,304	$ 2,377,664	$ 6,945,516	$
Goodwill	$ --	$ --	$ --	2,916,085	$
Expenditures for segment assets	$ 27,154	$ --	$ 8,789	$ 2,367,421	$

Nine Months Ended September 30, 2006:

	REP	Real Estate Operations	Energy Management Services	Other and Corporate	
Revenues from external customers	$ 8,516,667	$ 2,418,702	$ 1,486,023	$ --	$
Revenues from other operating segments	$ 794,572	$ 20,797	$ --	$ --	$

Depreciation, amortization and depletion	$	10,985	$	293,522	$	7,400	$	7,450	$
Interest expense	$	163,776	$	553,767	$	125,165	$	136	$
Segment net income (loss)	$	348,016	$	210,312	$	687,921	$	789,243	$
Segment assets	$	3,859,107	$	218,984	$	1,075,279	$	12,368,839	$
Goodwill		--		--		2,916,085		--	
Expenditures for segment assets	$	10,306	$	381,495	$	14,496	$	(3,593)	$

NOTE M - LONG-TERM OBLIGATIONS

NEMA entered into twenty-two promissory notes (the "NEMA Notes") on May 18, 2006, effective April 1, 2006 totaling $3,230,051 to purchase 100% ownership interest in Priority Power Management, Ltd, a Texas limited partnership, and Priority Power Management Dallas, Ltd, a Texas limited partnership (see note B). The notes are due in quarterly installments of $142,985 beginning on September 30, 2006 with a final maturity of December 31, 2013. The term notes bear interest at a fixed rate per annum of 7.75%.

PPM entered into an agreement effective August 31, 2007 to purchase 100% ownership interest in Cogdill Enterprises, Inc. As part of the agreement PPM is obligated to pay 95% of the total revenues actually received by PPM each month directly as a result of the contracts originated by Trenton

Cogdill for and on behalf of the Company prior to the August 31, 2007. The estimated net present value of the expected future obligation under the CEI agreement is classified as a long term obligation, less the current portion.

Long-term non-related party obligations consisted of the following at September 30, 2007:

Total Notes	$	2,812,154
Less related party portion		(1,938,746)
Less current portion		(113,183)

	$ 760,225

Long-term related party obligations consisted of the following at September 30, 2007:

Related Party Notes	$ 1,938,746
Less current portion	(251,237)
CEI Related Party Notes	440,864
Less current portion	(133,619)
	$ 1,994,754

Annual maturities of long-term non-related party obligations at September 30, 2007 are as follows:

October 2007 - September 2008	$ 113,183
October 2008 - September 2009	122,213
October 2009 - September 2010	131,963
October 2010 - September 2011	142,491
October 2011 - September 2012	153,859
October 2012 and thereafter	209,699
	$ 873,408

Annual maturities of long-term related party obligations at September 30, 2007 are as follows:

October 2007 - September 2008	$ 384,856
October 2008 - September 2009	350,606
October 2009 - September 2010	382,392
October 2010 - September 2011	386,738
October 2011 - September 2012	397,209
October 2012 and thereafter	477,809
	$ 2,379,610

NOTE N - RELATED PARTY TRANSACTIONS

The Company closed the sale and issuance of 125,000 shares of Series C Preferred Stock and 250,000 Warrants pursuant to a Purchase Agreement, as amended by the Second Amendment on March 1, 2005 between the Company and certain accredited investors, including the Company's President and Chief Operating Officer, Jon M. Morgan, the Company's Chief Executive Officer, Eric Oliver and Bruce Edgington, one of the Company's Directors.

The following table reflects the Series C issuance to the Company's officers and directors.

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	Number of Preferred C Shares	Common Stock Equivalent	Preferred C Voting Equivalent	Pu
Eric Oliver	14,063	56,252	52,877	$
Jon M. Morgan	14,062	56,248	52,873	
Bruce Edgington	3,125	12,500	11,750	
Total	31,250	125,000	117,500	$

The following table reflects the issuance of Warrants to the Company's Officers and Directors.

	Number of Warrants	Common Stock Equivalent
Eric Oliver	28,126	28,126
Jon M. Morgan	28,124	28,124
Bruce Edgington	6,250	6,250
Total	62,500	62,500

On May 18, 2006, Jon M. Morgan and Bruce Edgington exercised their outstanding warrants (described above) for a total exercise price of $112,496 and $25,000, respectively. Mr. Morgan received 28,124 shares of common stock and Mr. Edgington received 6,250 shares of common stock upon the exercise of their stock warrants. On August 31, 2007, Eric Oliver exercised 9,375 warrants for a total exercise price of $37,500.

On August 31, 2007, all of the Company's classes of Preferred Stock were converted in Common Stock of the Company, as described in Note A17. As a part of this conversion, Eric Oliver, Jon Morgan and Bruce Edgington received shares of Common Stock in the amounts shown in the table above.

On May 25, 2006, the Company completed its acquisition of all of the outstanding partnership interests in Priority Power pursuant to a Securities Purchase Agreement by and between the Company and its subsidiary, NEMA and the partners of Priority Power dated May 18, 2006. The total purchase price was $3,730,051, comprised of (i) $500,000 in cash, and (ii) promissory notes with the aggregate principal amount of $3,230,051 (see note N) from the Company and NEMA and payable to the sellers. There are several business relationships among Priority Power, its partners, the Company and its subsidiaries, and their respective affiliates. The Company's retail electricity provider subsidiary, W Power, has contractual relationships with Priority Power with respect to providing electricity to less than 0.2% of Priority Power's clients and the Company believes W Power will not provide energy to any Priority Power clients in the future. Additionally certain of the selling partners of Priority Power are customers of W Power none of which are considered significant customers. In addition, certain of the selling partners of Priority Power are also five percent or more stockholders of the Company or affiliates of stockholders

of the Company, including an affiliate of Jon M. Morgan, the President and Chief Executive Officer of the Company, and Eric L. Oliver, the Chairman of the Board of Directors of the Company. Jon M. Morgan is a fifty percent owner of Anthem Oil and Gas, Inc which was a selling limited partner of Priority Power. Mr. Morgan also owned a one third interest in the selling general partner of Priority Power Management, Ltd. Eric L. Oliver owned a thirty-seven and a half percent interest in a selling limited partner of Priority Power, Oakdale Ventures, Ltd.

On September 11, 2007 the Company announced the acquisition of 100% of Cogdill Enterprises, Inc. ("CEI"), effective August 31, 2007 for an aggregate consideration of $6,000 and a obligation to pay 95% of the total revenues actually received by the Company each month directly as a result of the contracts originated by Trenton Cogdill for and on behalf of the CEI prior to the August 31, 2007. Trenton Cogdill is now an employee of Priority Power.

The following table reflects the portion of the Company's long-term obligations payable to related parties as of September 30, 2007:

		Total
Eric Oliver, Chairman of the Board	$	11,125
Jon M. Morgan , CEO		496,962
Padraig Ennis, VP of Priority Power		76,577
John Bick, Managing Principal of Priority Power		198,415
Trenton Cogdill, Priority Power		307,245
5% Shareholders		904,430
Total	$	1,994,754

Under the Company's long-term obligation to John Bick and Padraig Ennis, each party has the right to receive their note payments in the form of common stock.

Effective September 27, 2006, the Company entered into an Agreement to Distribute Assets with and among the partners of TCTB Partners, Ltd. Contemporaneous with the distribution of the Properties, the Company along with the General Partner and the other Limited Partners of TCTB collectively agreed to sell and sold 75% of their collective undivided interest in the Properties to Hampshire Plaza Garage, LLC and S.E.S. Investments, Ltd., unaffiliated third party purchasers for a privately negotiated price of $9.0 million (see note C).

Mr. Jon Morgan, CEO of the Company, and his affiliate were among the Selling Partners and the sale of their undivided interest in the Properties resulted in Mr. Morgan receiving a net check in the amount of $79,317. Mr. Morgan is also an owner and officer of the General Partner of TCTB, and took actions in such capacity in connection with this transaction in addition to acting as an officer of the Company. As an owner of such

General Partner, Mr. Morgan indirectly received an additional $5,300 from the sale of the General Partner's interest in the Properties

During the quarter ended September 30, 2007, certain members of the Company's Board of Directors were issued stock options under the Company's 1998 Stock Option Plan (See Note P).

NOTE O - COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is subject to claims and lawsuits which arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the consolidated financial position of the Company.

Power Purchase Contracts

Certain contracts to purchase electricity provide for capacity payments to ensure availability and provide for adjustments based on the actual power taken under the contracts. Expected annual future capacity payments under existing agreements are estimated as follows as of September 30, 2007:

2007	$ 1,160,931
2008	874,293
Total	$ 2,035,224

NOTE P - STOCK OPTION PLAN

The table below summarizes the Company's stock option activity for the quarter ended September 30, 2007:

Options Outstanding	Options Outstanding	Weighted Average Price
Outstanding June 30, 2007	269,206	$ 11.65
Options exercised	-	-
Options forfeited	-	-

Options issued	23,157	$ 5.67
Outstanding September 30, 2007	292,363	$ 11.17

At September 30, 2007 the 292,363 outstanding options are fully vested and exercisable. They range in price from $1.98 to $61.36 and have a weighted average contractual maturity of 3.79 years. For the quarter ended September 30, 2007 the Company issued 23,157 options to the following members of the Board of Directors as compensation for their service to the Company:

Director	# Options Issued	Strike Price
Bruce Edgington	5,925	$5.67
Earl Gjelde	5,969	$5.67
Randy Nicholson	5,294	$5.67
Don Blake	5,969	$5.67

NOTE Q - MATERIAL SUBSEQUENT EVENT

The Company has entered into a Purchase and Sale Agreement dated November 8, 2007 with Bank of New York Trust Company, N. A., the trustee of Santa Fe Energy Trust (the "Trust") to purchase all of the Net Profits Royalties owned by the Trust. The assets to be sold consist of the Trust's interests in certain royalty interests and working interests in oil and gas properties located in a number of different states. The Company made an earnest money deposit to the Trust of approximately $7.5 million in connection with the execution of the Agreement, which will be applied to the purchase price at closing or returned to the Company upon termination of the Agreement except for termination resulting from a breach of the Agreement by the Company, litigation enjoining the transaction or lack of any required governmental consents. The Trust Purchase and Sale Agreement provides for a total purchase price of $50.4 million, subject to certain adjustments and customary closing conditions. Specifically, the Agreement provides for upward and downward adjustments to the purchase price for a number of factors including title issues, environmental issues, adjustments to estimated reserves and changes in the market price of West Texas Intermediate Crude Oil. The Agreement also provides that the parties can terminate the Agreement upon the occurrence of certain events customary for transactions of this type, including without limitation the right of the Trust to terminate the transaction if the amount of the environmental defects asserted exceeds 20% of the purchase price, and the right of either party to terminate if the total adjustment to the purchase price related to changes in estimated reserves is in excess of $4 million. The parties intend to consummate the transaction on or about December 17, 2007 with an effective date of October 1, 2007.

The Company owns 139,500 units of the Trust and is part of an affiliated ownership group, which includes certain of the Company's officers and directors, that owns 701,393 units of the Trust, approximately 11% of the outstanding units. The Company will continue to receive regular distributions from the Trust until its liquidation on or before February 15, 2008.

Additionally, the Company has entered into a Purchase and Sale Agreement dated November 8, 2007 with Devon Energy Production Company, L. P. ("Devon") to acquire Devon's working and royalty interests in the

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properties that are subject to the Net Profits Royalties owned by the Trust. The Devon Purchase and Sale Agreement provides for a total purchase price of $5.6 million, subject to certain adjustments and customary closing conditions. Specifically, the Agreement provides for upward and downward adjustments to the purchase price for a number of factors including title issues, environmental issues, and adjustments to estimated reserves. The parties intend to consummate the transaction contemporaneously with the Trust transaction on or about December 17, 2007.

ITEM 2. Management's Discussion and Analysis or Plan of Operation

The following discussion and analysis should be read in conjunction with the Company's unaudited consolidated financial statements and related footnotes presented in Item 1 and the Company's December 31, 2006 Form 10-KSB.

Overview

AMEN Properties, Inc., (the "Company") is engaged in owning and managing energy related business properties. The Company is a holding company and conducts its operations through AMEN Delaware, LP ("Delaware"); AMEN Minerals, LP ("Minerals"), W Power and Light, LP ("W Power") and Priority Power Management, Ltd ("Priority Power") each being a wholly owned subsidiary of the Company. The company's primary business activities are:

- Retail Electricity - The Company is engaged in the retail electricity market as a retail electric provider serving both retail and wholesale customers within the state of Texas through W Power.
- Energy Aggregation, Brokering and Consulting - Effective April 1, 2006, AMEN Properties acquired 100% of Priority Power Management, Ltd. a Texas limited partnership, and Priority Power Management, Dallas, Ltd. a Texas limited partnership, (collectively referred to as "Priority Power"). Priority Power is primarily involved in providing energy management services and the Company believes that Priority Power's business is complimentary to the retail electricity provider business conducted by the Company's subsidiary W Power. On August 31, 2007, AMEN Properties acquired Cogdill Enterprises, Inc., dba Cogdill

Energy Consultants, a leading energy consulting firm to religious groups and other commercial and industrial customers located primarily in Texas. Cogdill has since been integrated with Priority Power.

- Oil & Gas Royalties - The Company's present oil and gas royalty holdings are through Minerals, which owns two oil and gas royalty properties, one in Nowata County, Oklahoma and the other in Hemphill County, Texas.
- Real Estate - As of December 31, 2006, the Company, through Delaware's investment in a real estate joint venture, has a commercial real estate portfolio consisting of an ownership of approximately 18% in two office properties located in Midland, Texas comprising an aggregate of approximately 428,560 square feet of gross leasable area which was exchanged for 17.8% interest in a real estate limited partnership on March 19, 2007.

Application of Critical Accounting Policies

Our discussion and analysis of financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, and contingencies as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. We evaluate our assumptions and estimates on an ongoing basis. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. These estimates form the basis for making judgments about the carrying values of assets and liabilities where that information is available from other sources. Certain estimates are particularly sensitive due to their significance to the financial statements. Actual results may differ significantly from management's estimates.

We believe that the most significant accounting policies that involve the use estimates and assumptions as to future uncertainties and, therefore, may result in actual amounts that differ from estimates are the following:

- Impairments,
- Acquisition of operating properties,
- Revenue recognition,
- Consolidation of variable interest entities,
- Allowance for doubtful accounts and
- Stock options

Impairments

Real estate and leasehold improvements are classified as long-lived assets held for sale or long-lived assets to be held and used. In accordance with SFAS No. 144, we record assets held for sale at the lower of carrying value or sales price less costs to sell. For assets classified as held and used, these assets are tested for recoverability when events or changes in circumstances indicate that the estimated carrying amount may not be recoverable. An impairment loss is recognized when expected undiscounted future cash flows from a Property is less than the carrying value of the Property. Our estimates of cash flows of the

Properties requires us to make assumptions related to future rental rates, occupancies, operating expenses, the ability of our tenants to perform pursuant to their lease obligations and proceeds to be generated from the eventual sale of our Properties. Any changes in estimated future cash flows due to changes in our plans or views of market and economic conditions could result in recognition of additional impairment losses.

If events or circumstances indicate that the fair value of an investment accounted for using the equity method has declined below its carrying value and we consider the decline to be "other than temporary," the investment is written down to fair value and an impairment loss is recognized. The evaluation of impairment for an investment would be based on a number of factors, including financial condition and operating results for the investment, inability to remain in compliance with provisions of any related debt agreements, and recognition of impairments by other investors. Impairment recognition would negatively impact the recorded value of our investment and reduce net income.

Acquisition of Operating Properties

We allocate the purchase price of acquired properties to tangible and identified intangible assets acquired based on their fair values in accordance with SFAS No. 141, "Business Combinations." We initially record the allocation based on a preliminary purchase price allocation with adjustments recorded within one year of the acquisition.

In making estimates of fair value for purposes of allocating purchase price, management utilizes sources, including, but not limited to, independent value consulting services, independent appraisals that may be obtained in connection with financing the respective property, and other market data. Management also considers information obtained about each property as a result of its pre-acquisition due diligence, marketing and leasing activities in estimating the fair value of the tangible and intangible assets acquired.

The aggregate value of the tangible assets acquired is measured based on the sum of (i) the value of the property and (ii) the present value of the amortized in-place tenant improvement allowances over the remaining term of each lease. Management's estimates of the value of the property are made using models similar to those used by independent appraisers. Factors considered by management in its analysis include an estimate of carrying costs such as real estate taxes, insurance, and other operating expenses and estimates of lost rentals during the expected lease-up period assuming current market conditions. The value of the property is then allocated among building, land, site improvements, and equipment. The value of tenant improvements is separately estimated due to the different depreciable lives.

The aggregate value of intangible assets acquired is measured based on the difference between (i) the purchase price and (ii) the value of the tangible assets acquired as defined above. This value is then allocated among above-market and below-market in-place lease values, costs to execute similar leases (including leasing commissions, legal expenses and other related expenses), in-place lease values and customer relationship values.

Above-market and below-market in-place lease values for acquired properties are calculated based on the present value (using a market interest rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to the in-place leases and (ii) management's estimate of fair market lease rates for the corresponding in-place leases, measured over a period equal to the remaining non-cancelable term of the lease for above-market leases and the initial term plus the term of the below-market fixed rate renewal option, if any, for below-market leases. We perform this analysis on a lease by lease basis. The capitalized above-market

lease values are amortized as a reduction to rental income over the remaining non-cancelable terms of the respective leases. The capitalized below-market lease values are amortized as an increase to rental income over the initial term plus the term of the below-market fixed rate renewal option, if any, of the respective leases.

Management estimates costs to execute leases similar to those acquired at the property at acquisition based on current market conditions. These costs are recorded based on the present value of the amortized in-place leasing costs on a lease by lease basis over the remaining term of each lease.

The in-place lease values and customer relationship values are based on management's evaluation of the specific characteristics of each customer's lease and our overall relationship with that respective customer. Characteristics considered by management in allocating these values include the nature and extent of our existing business relationships with the customer, growth prospects for developing new business with the customer, the customer's credit quality, and the expectation of lease renewals, among other factors. The in-place lease value and customer relationship value are both amortized to expense over the initial term of the respective leases and projected renewal periods, but in no event does the amortization period for the intangible assets exceed the remaining depreciable life of the building.

Should a tenant terminate its lease, the unamortized portion of the in-place lease value and the customer relationship value and above-market and below-market lease values would be charged to expense.

Revenue Recognition

Leases with tenants are accounted for as operating leases. Minimum annual rentals are recognized on a straight-line basis over the terms of the respective leases.

The Company records electricity sales under the accrual method and these revenues are recognized upon delivery of electricity to the customers' meters. Electric services not billed by month-end are accrued based upon estimated deliveries to customers as tracked and recorded by the Electric Reliability Council of Texas ("ERCOT") multiplied by the Company's average billing rate per kilowatt hour ("kwh") in effect at the time.

The flow technique of revenue calculation relies upon ERCOT settlement statements to determine the estimated revenue for a given month. Supply delivered to our customers for the month, measured on a daily basis, provides the basis for revenues. ERCOT provides net electricity delivered data in three frames. Initial daily settlements become available approximately 17 days after the day being settled. Approximately 45 days after the day being settled, a resettlement is provided to adjust the initial settlement to the actual supply delivered based on subsequent comparison of prior forecasts to actual meter reads processed. A final resettlement is provided approximately 180 days after power is delivered, marking the last routine settlement adjustment to the power deliveries for that day.

Sales represent the total proceeds from energy sales, including pass through charges from the TDSPs billed to the customer at cost. Cost of goods and services ("COGS") include electric power purchased, sales commissions, and pass through charges from the TDSPs in the areas serviced by the Company. TDSP charges are costs for metering services and maintenance of the electric grid. TDSP charges are determined by regulated tariffs established by the Public

Utility Commission of Texas ("PUCT").

Bilateral wholesale costs are incurred through contractual arrangements with wholesale power suppliers for firm delivery of power at a fixed volume and fixed price. The Company is typically invoiced for these wholesale volumes at the end of each calendar month for the volumes purchased for delivery during the month, with payment due 10 to 20 days after the end of the month.

Balancing/ancillary costs are based on the aggregate customer load and are determined by ERCOT through a multiple step settlement process. Balancing costs/revenues are related to the differential between supply provided by the Company through its bilateral wholesale supply and the supply required to serve the Company's customer load. The Company endeavors to minimize the amount of balancing/ancillary costs through its load forecasting and forward purchasing programs.

Consolidation of Variable Interest Entities

We perform evaluations of each of our investment partnerships, real estate partnerships and joint ventures to determine if the associated entities constitute a Variable Interest Entity, or VIE, as defined under Interpretations 46 and 46R, "Consolidation of Variable Interest Entities," or FIN 46 and 46R, respectively. In general, a VIE is an entity that has (i) an insufficient amount of equity for the entity to carry on its principal operations, without additional subordinated financial support from other parties, (ii) a group of equity owners that are unable to make decisions about the entity's activities, or (iii) equity that does not absorb the entity's losses or receive the benefits of the entity. If any one of these characteristics is present, the entity is subject to FIN 46R's variable interests consolidation model.

Quantifying the variability of VIEs is complex and subjective, requiring consideration and estimates of a significant number of possible future outcomes as well as the probability of each outcome occurring. The results of each possible outcome are allocated to the parties holding interests in the VIE and, based on the allocation, a calculation is performed to determine which party, if any, has a majority of the potential negative outcomes (expected losses) or a majority of the potential positive outcomes (expected residual returns). That party, if any, is the VIE's primary beneficiary and is required to consolidate the VIE. Calculating expected losses and expected residual returns requires modeling potential future results of the entity, assigning probabilities to each potential outcome, and allocating those potential outcomes to the VIE's interest holders. If our estimates of possible outcomes and probabilities are incorrect, it could result in the inappropriate consolidation or deconsolidation of the VIE.

For entities that do not constitute VIEs, we consider other GAAP, as required, determining (i) consolidation of the entity if our ownership interests comprise a majority of its outstanding voting stock or otherwise control the entity, or (ii) application of the equity method of accounting if we do not have direct or indirect control of the entity, with the initial investment carried at costs and subsequently adjusted for our share of net income or less and cash contributions and distributions to and from these entities.

Allowance for Doubtful Accounts

Our accounts receivable balance is reduced by an allowance for amounts that may become uncollectible in the future. Our receivable balance is composed primarily of rents and operating cost recoveries due from its tenants and billed and unbilled customer retail electricity usage flowed for a given period. The allowance for doubtful accounts is reviewed at least quarterly for adequacy by reviewing such factors as the credit quality of our tenants and customers, any delinquency in payment, historical trends and current economic conditions. If

the assumptions regarding our ability to collect accounts receivable prove incorrect, we could experience write-offs in excess of the allowance for doubtful accounts, which would result in a decrease in net income. The Company

estimated the allowance for doubtful accounts related to W Power's billed account receivables to be approximately 0.2% percent of W Power's retail electricity billed revenue for the quarter ended September 30, 2007. Due to the limited historical data, the Company regularly reviews the accounts receivable and accordingly makes adjustments in estimating the allowance for doubtful accounts.

Stock Options

The Company accounts for its stock-based compensation in accordance with Financial Accounting Standards (SFAS) No. 123R, Accounting for Stock-Based Compensation. In December 2004, the Financial Accounting Standards Board issued Statement 123(R) effective for small business issuers after December 15, 2005. The new Statement requires mandatory reporting of all stock-based compensation awards on a fair value basis of accounting. Generally, companies are required to calculate the fair value of all stock awards and amortize that fair value as compensation expense over the vesting period of the awards.

Results of Operations

Overview

For the nine months ended September 30, 2007, the Company generated fully diluted earnings of $0.51 per share, in line with earnings for the same period in 2006. As a reminder, Priority Power was acquired April 1, 2006, so the Company's 2006 numbers only include six months of Priority's business. Priority's growth and the Company's reduced debt as a result of withdrawing from the real estate business enabled the company to maintain earnings despite the third quarter typically being marginally profitable in the retail electricity segment due to high wholesale electricity and capacity costs across the hot summer months in Texas. The trend of mild temperatures experienced during the first half of 2007 continued through the summer months of July, August, and September. Despite reduced consumption resulting from these mild temperatures, W Power realized a 25% increase in delivered energy compared to the same period last year by growing its portfolio of customers. The mild weather also had an effect on Priority's revenues for certain consumption-based fees for a portion of its client base.

Revenues

Total operating revenues for the first nine months of 2007 were $11,215,800, a decrease of 10% versus the same period in 2006, as shown in the table below:

Description	Nine Months Ended 9/30/07	Nine Months Ended 9/30/06	Change
Rental Revenue	$ -	$ 2,418,702	$ (2,418,702)
Energy Management Fees	3,069,625	1,486,023	1,583,602
Retail Electricity Revenue	8,146,175	8,516,667	(370,492)
Total	$ 11,215,800	$ 12,421,392	$ (1,205,592)

As shown above, Rental Revenue was eliminated due to the Company's disposition of real estate assets, as described in Note C to the financial statements. Despite a 25% increase in delivered retail energy volume, W Power's revenue fell by 4% due to reduced wholesale volumes and lower retail billing rates resulting from reduced natural gas and electricity prices in the wholesale markets. Priority Power's revenue growth was caused primarily by 2007 consisting of nine months versus six months in 2006 as well as new customer acquisition supplemented by increased volume and expanded service offerings to existing customers.

Operating Expenses

Operating Expenses for the first nine months of 2007 decreased $982,626, a decline of 9% versus the same period in 2006. The decline was driven by the elimination of expenses associated with Real Estate Operations ($1,652,483 in 2006) and a decrease of $414,334 in Cost of Goods and Services, driven primarily by reduced wholesale power supply rates associated with W Power. These decreases were partially offset by an increase in General & Administrative expenses of $1,177,460, caused primarily by nine months of Priority Power business in 2007 versus six months in 2006.

Net Margin

The Company's net margin declined in the first nine months of 2007, primarily due to the gain on sale of real estate assets in the third quarter of 2006 (see note C). This decline in margin was mitigated by improvement in W Power profitability and growth in Priority Power's higher-margin business, as shown in the table below (see Note L for more segment financial data):

Segment	Nine Months Ended 9/30/07 Net Income	Nine Months Ended 9/30/07 Net Margin %	Nine Months Ended 9/3 Net Income	Net Marg
Real Estate	$ 96,032	N/A	$ 210,312	9%
Retail Electricity	615,037	8%	348,016	4%
Energy Management & Consulting	1,402,787	46%	687,921	46%
Other (Corporate)	(661,061)	N/A	789,243	N/A
Eliminations	(157,463)	N/A	(152,095)	N/A
Total	$ 1,295,332	12%	1,883,397	15%

Book Value per Share

The primary metric that the Company's management uses when making operating and investment decisions is Book Value per Share ("BVPS"). BVPS is calculated as Total Shareholder Equity divided by the Fully Diluted Number of Shares Outstanding as of the measurement date. Management's belief is that if the Company consistently delivers increases in BVPS, it will maximize value to the

shareholder over the long term. As of September 30, 2007 the Company's BVPS is $2.70, an increase of 20% during the first nine months of 2007.

Analysis of Cash Flows

Operating Activities

During the first nine months of 2007, net cash provided by operating activities was $1,208,623. This was driven by a number of factors:

- Net Income of $1,295,332.
- An increase in Accounts Payable of $323,997, caused by timing of payment cycles; this was offset by an increase in Accounts Receivable of $600,225, caused by the timing of billing cycles and increased billings for W Power due to higher temperatures.
- An increase in Accrued Liabilities of $304,621 due to accruals for executive bonuses, tithing and an increase in retail electricity customer deposits.
- An increase in Allowance for Doubtful Accounts of $207,124, caused by a specific reserve for a receivable balance from a W Power reseller (see note A7); this receivable balance was the primary cause for the increase in Deposits and Other Assets of $350,809.

Investing Activities

For the first nine months of 2007, the net cash used in investing activities was $2,753,859. This was driven by two primary activities:

- The Company invested $478,491 in the Hampshire Plaza Garage Limited Partnership in exchange for an 18.017% interest in the partnership, as discussed in Note C.
- $2,186,354 was used to purchase marketable securities (see Note I).

Financing Activities

Net cash used in financing activities for the first nine months of 2007 was $315,871. This is primarily related to repayment of notes for the purchase of Priority Power (the "NEMA" notes - See Note M).

Currently, the Company has a net operating tax loss ("NOL") carry forward in excess of $29 million. This NOL is mainly related to the Company's operations prior to the Company presenting the 2002 business plan to shareholders. The Company believes that the utilization, without limitation, of the Company's NOL will be determined by the ability of management to limit the issue of new equity due to IRC Section 382 restrictions. However, if an opportunity presents itself that would be more valuable to the shareholders than the approximate $2.5 to $5 million present value we have assigned the NOL we will strongly consider pursuing the deal and would consider issuing equity to do so.

ITEM 3. Controls and Procedures

The Company has carried out an evaluation under the supervision of management, including the Chairman and Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on that evaluation, the Company's Chairman and Chief Executive Officer and Chief Financial Officer have concluded that, and have reported to the Audit Committee of the Company's Board of Directors that, management has identified certain deficiencies in the disclosure controls and procedures. The deficiencies noted were (a) a lack of documented

control procedures (b) the lack of segregation of duties and (c) insufficient supervision of the Company's accounting personnel. The Company believes such deficiencies are primarily attributable to the Company currently having only one full time employee at the corporate level and the continuing development of the Company's new start up subsidiary W Power and Light, L.P. Management believes that the deficiencies noted above do not materially interfere with the Company's timely disclosure of information required to be disclosed by the Company in reports filed or submitted under the Securities Exchange Act 1934, as amended, because accounting personnel and a member of management have first-hand knowledge of the daily transactions of the Company and that first-hand knowledge enables such personnel to accumulate and communicate such information to the Company's management, including its principal executive and principal financial officer as appropriate to allow timely decisions regarding disclosure. Therefore, the Company believes that its disclosure controls and procedures are sufficient to provide reasonable assurance that the information required to be disclosed by the Company in reports filed or submitted by it under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time period specified in the rules and forms of the SEC, notwithstanding the deficiencies noted above.

There have not been any changes in the Company's disclosure controls and procedures during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's disclosure controls and procedures over financial reporting.

PART II OTHER INFORMATION

ITEM 1. Legal Proceedings

None to report.

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

None to report.

ITEM 3. Defaults Upon Senior Securities

None to report.

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

None to report.

ITEM 5. Other Information

None to report.

ITEM 6. Exhibits

(a) EXHIBITS:

EXHIBIT NUMBER	DESCRIPTION
3.1+	Certificate of Incorporation and Certificates of Amendments thereto of DIDAX INC.

3.1(a)+	Certificate of Correction regarding Certificate of Incorporation
3.1(b)**	Certificate of Amendment thereto of DIDAX INC.
3.2+++	Certificate of Amendment thereto of Crosswalk.com, Inc.
3.3+	Bylaws and amendments thereto of the Company
3.4 ~	Certificate of Designation for Series A Preferred Stock
3.4(a) ~~	Amended Certificate of Designation for Series A Preferred Stock
3.5 ~~	Certification of Designation for Series B Preferred Stock

3.6***	Certificate of Amendment of Certificate of Incorporation dated May 26, 2004
3.7@	Certificate of Designation for Series C Preferred Stock
4.1+	Warrant Certificate between the Company and Robert Varney dated July 10, 1996
4.2+	Warrant Certificate between the Company and Robert Varney dated September 26, 1996
4.3+	Warrant Certificate between the Company and Bruce Edgington dated July 30, 1996
4.4+	Warrant Certificate between the Company and Bruce Edgington dated October 30, 1996
4.5@	Form of Warrant Certificate dated March 1, 2005
10.1//	Asset Purchase Agreement between the Company and Blue Hill Media, Inc. dated December 13, 2002
10.2+	Form of Stock Option Agreement
10.3+	1997 Stock Option Plan
10.4*	1997 Stock Option Plan, as amended April 6, 1998
10.5*	1998 Stock Option Plan
10.6**	1998 Stock Option Plan, as amended February 26, 1999
10.7##	1998 Stock Option Plan, as amended March 3, 2000
10.8++	Stock Purchase Agreement between the Company and A. Scott Dufford for Series A Preferred Stock dated September 29, 2000
10.9++	Stock Purchase Agreement between the Company and John R. Norwood Norwood for Series A Preferred Stock dated September 29, 2000
10.10++	Stock Purchase Agreement between the Company and J.M. Mineral and Land Co. for Series A Preferred Stock dated September 29, 2000

10.11++	Stock Purchase Agreement between the Company and Jon M. Morgan Pension Plan for Series A Preferred Stock dated September 29, 2000
10.12++	Stock Purchase Agreement between the Company and Stallings Properties, Ltd. for Series A Preferred Stock dated September 29, 2000
10.13++	Stock Purchase Agreement between the Company and John D. Bergman for Series A Preferred Stock dated September 29, 2000
10.14++	Stock Purchase Agreement between the Company and Julia Jones Family Trust for Series A Preferred Stock dated September 29, 2000
10.15++	Stock Purchase Agreement between the Company and Dodge Jones Foundation for Series A Preferred Stock dated September 29, 2000
10.16++	Stock Purchase Agreement between the Company and Soft Op, L.P. for Series A Preferred Stock dated September 29, 2000
10.17++	Stock Purchase Agreement between the Company and Lighthouse Partners, L.P. for Series A Preferred Stock dated September 29, 2000
10.18++	Stock Purchase Agreement between the Company and Ray McGlothlin, Jr. for Series A Preferred Stock dated September 29, 2000

10.19++	Stock Purchase Agreement between the Company and Gary J. Lamb for Series A Preferred Stock dated September 29, 2000
10.20++	Stock Purchase Agreement between the Company and Frosty Gilliam, Jr. for Series A Preferred Stock dated September 29, 2000
10.21++	Stock Purchase Agreement between the Company and Bruce Edgington for Series B Preferred Stock dated December 31, 2001
10.22++	Stock Purchase Agreement between the Company and Dodge Jones Foundation for Series B Preferred Stock dated December 31, 2001
10.23++	Stock Purchase Agreement between the Company and Earl E. Gjelde for Series B Preferred Stock dated December 31, 2001
10.24++	Stock Purchase Agreement between the Company and Jon M. Morgan for Series B Preferred Stock dated December 31, 2001
10.25++	Stock Purchase Agreement between the Company and Soft Op, L.P. for Series B Preferred Stock dated December 31, 2001
10.26++	Annex to the Stock Purchase Agreement for Series A Preferred Stock dated September 29, 2000
10.27#	Agreement to Suspend Dividends and Consent of the Holders of Series A Preferred Stock of Amen Properties, Inc. dated May 30, 2003.
10.28#	Agreement to Suspend Dividends and Consent of Holders of Series B

	Convertible Preferred Stock of Amen Properties, Inc. dated May 30, 2003.
10.29^	Consent, Waiver and Amendment of the holders of Series A Preferred Stock dated January 2005 (identical copy executed by each holder)
10.30^	Consent, Waiver and Amendment of the holders of Series B Preferred Stock dated January 2005 (identical copy executed by each holder)
10.31++	Annex to the Stock Purchase Agreement for Series B Preferred Stock dated December 31, 2001
10.32//	Agreement and Transfer of Limited Partnership Interest between the Company and the Selling Partners of TCTB Partners, Ltd. dated October 31, 2002
10.33//	Amended Promissory Note between the Company and A. Scott Dufford dated October 31, 2002, with schedule describing all outstanding Amended Promissory Notes between the Company and the Selling Partners of TCTB Partners, Ltd, which are identical other than differences stated in the schedule.
10.34//	Credit Agreement between TCTB Partners, Ltd. and Wells Fargo Bank Texas, N.A. dated June 5, 2002, the exhibits of which are not included due to their size.
10.35//	Lease Agreement between TCTB Partners, Ltd. and Bank of America, N.A. dated September 30, 2003.
10.36//	Lease Agreement between TCTB Partners, Ltd. and Pioneer Natural Resources USA, Inc. dated April 4, 2000.
10.38###	Employment and Noncompetition Agreement between the Company and Kevin Yung dated as of July 1, 2004
10.39@@	Agreement to Distribute Assets among TCTB Partners, Ltd. and its partners dated as of December 31, 2004
10.40@@	Purchase Agreement between certain partners of TCTB Partners, Ltd. and 1500 Broadway Partners, Ltd. dated as of December 31, 2004
10.41@	Securities Purchase Agreement between the Company and certain investors dated January 18, 2005, as amended by a First Amendment dated January 28, 2005 and a Second Amendment dated February 28, 2005
10.42@	Loan Agreement between Amen Properties, Inc. and Western National Bank

10.43@	Western National Bank Revolving Line of Credit Note
11	Statement of computation of earnings per share
21.1	Subsidiaries of the Company

31.1	Certification of Chief Executive Officer.
31.2	Certification of Chief Financial Officer.
32.1	Certification of Chief Executive Officer Pursuant to 18 USC ss. 1350.
32.2	Certification of Chief Financial Officer Pursuant to 18 USC ss. 1350.
99.1	Press release regarding March 31, 2006 Quarterly Report on Form 10-QSB

+ Incorporated by reference to the Company's Registration Statement on Form SB-2 declared effective by the Securities and Exchange Commission on September 24, 1997, SEC File No. 333-25937

++ Incorporated by reference to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 29, 2002, amended July 25, 2002 and August 14, 2002.

+++ Filed as an Appendix to the Company's Proxy Statement on Schedule 14-A filed with the Securities and Exchange Commission on January 13, 2003.

* Incorporated by reference to the Company's Registration Statement Post Effective Amendment No. 1 to Form SB-2 declared effective by the Securities and Exchange Commission on July 2, 1998, SEC File No. 333-25937

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*** Incorporated by reference to the Company's Report on Form 8-K filed with the Securities and Exchange Commission on June 10, 2004.

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~ Incorporated by reference to the Company's Registration Statement on Form S-3 declared effective by the Securities and Exchange Commission on December 1, 2000, SEC File No. 333-49126

~~ Incorporated by reference to the Company's Registration Statement on Form S-3 filed with the Securities and Exchange Commission on April 5, 2002, SEC file No. 333-85636

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SIGNATURES

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

AMEN Properties, Inc.

November 14, 2007 By: /s/ Jon Morgan

Jon Morgan,
Chief Executive Officer

November 14, 2007 By: /s/ Kris Oliver

Kris Oliver,
Chief Financial Officer and Secretary

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++ Incorporated by reference to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 29, 2002, amended July 25, 2002 and August 14, 2002.

+++ Filed as an Appendix to the Company's Proxy Statement on Schedule 14-A filed with the Securities and Exchange Commission on January 13, 2003.

* Incorporated by reference to the Company's Registration Statement Post Effective Amendment No. 1 to Form SB-2 declared effective by the Securities and Exchange Commission on July 2, 1998, SEC File No. 333-25937

** Incorporated by reference to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 30, 2000.

*** Incorporated by reference to the Company's Report on Form 8-K filed with the Securities and Exchange Commission on June 10, 2004.

Incorporated by reference to the Company's Form 8-K filed with the Securities and Exchange Commission on June 4, 2003.

Filed as an Appendix to the Company's Proxy Statement on Schedule 14-A filed with the Securities and Exchange Commission on March 30, 2000.

Incorporated by reference to the Company's Report on Form 8-K filed with the Securities and Exchange Commission on August 13, 2004

~ Incorporated by reference to the Company's Registration Statement on Form S-3 declared effective by the Securities and Exchange Commission on December 1, 2000, SEC File No. 333-49126

~~ Incorporated by reference to the Company's Registration Statement on Form S-3 filed with the Securities and Exchange Commission on April 5, 2002, SEC file No. 333-85636

// Incorporated by reference to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 24, 2003.

@ Incorporated by reference to the Company's Report on Form 8-K filed with the Securities and Exchange Commission on March 4, 2005.

@@ Incorporated by reference to the Company's Report on Form 8-K filed with the Securities and Exchange Commission on January 4, 2005.

^ Incorporated by reference to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2005.