

ISSUER DETAILS

NAME OF ISSUER	FOR PERIOD ENDED	DATE OF REPORT
NORDIC OIL AND GAS LTD.	September 30, 2007	November 28, 2007

ISSUER ADDRESS

4727 ROBLIN BOULEVARD

CITY	PROVINCE	POSTAL CODE	ISSUER FAX NO.	ISSUER TELEPHONE NO.
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CONTACT NAME	CONTACT POSITION	CONTACT TELEPHONE NO.
DONALD P. BENSON	PRESIDENT	(204) 956-5042

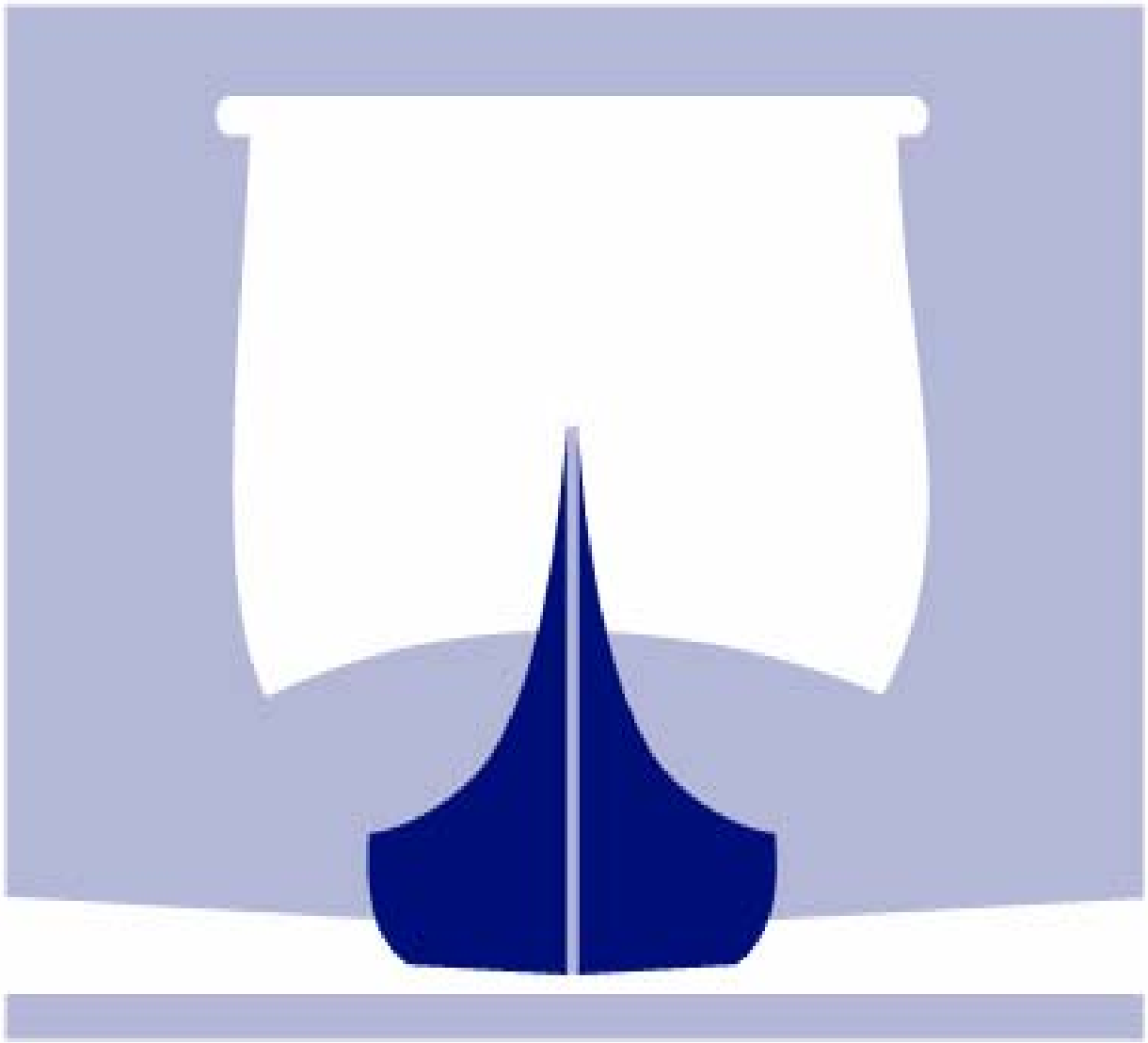
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CERTIFICATE

THE THREE SCHEDULES REQUIRED TO COMPLETE THIS REPORT ARE ATTACHED AND THE DISCLOSURE CONTAINED THEREIN HAS BEEN APPROVED BY THE BOARD OF DIRECTORS. A COPY OF THIS REPORT WILL BE PROVIDED TO ANY SHAREHOLDER WHO REQUESTS IT.

DIRECTOR'S SIGNATURE PRINT FULL NAME	DATE SIGNED
"Donald Benson" DONALD P. BENSON	11/28/2007

DIRECTOR'S SIGNATURE PRINT FULL NAME	DATE SIGNED
"Keith Peterson" KEITH PETERSON	11/28/2007



NORDIC
OIL AND GAS LTD

Notice of No Auditor Review

NORDIC OIL AND GAS LTD.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these consolidated financial statements in accordance with the established standards by the Canadian Institute of Chartered Accountants for a review of interim financial statements by the entity's auditors.

Nordic Oil and Gas Ltd.**Balance Sheet**

As at September 30, 2007

(Unaudited)

ASSETS	September 30, 2007	December 31, 2006
Current Assets		
Cash	\$ (193,376)	433,423
Term Deposits	200,000	211,672
Accounts Receivable	33,154	122,808
Prepaid Expenses	11,632	-
Deferred Costs(note 2)	-	114,901
Fixed Assets		
Oil and Gas Interest (note 3)	4,361,693	3,412,668
Capital Asset (note 4)	15,095	14,007
Total Assets	<u>\$ 4,428,198</u>	<u>\$ 4,309,480</u>
 LIABILITIES		
Accounts Payable	260,331	386,451
Asset Retirement Obligations	304,513	218,961
Convertible Debenture (note 7)	619,654	716,374
Future Tax Liability	423,069	544,994
Total Liabilities	<u>1,607,567</u>	<u>1,866,780</u>
 SHAREHOLDERS' EQUITY		
Common Shares (note 5)	3,358,854	2,980,830
Equity portion of convertible debenture (note 7)	43,090	-
Warrants (note 5)	370,352	-
Contributed Surplus (note 6)	842,096	885,186
	<u>4,614,392</u>	<u>3,866,016</u>
Deficit	<u>(1,793,761)</u>	<u>(1,423,316)</u>
Total Shareholders' Equity	<u>2,820,631</u>	<u>2,442,700</u>
 Total Liabilities & Equity	<u>\$ 4,428,198</u>	<u>\$ 4,309,480</u>

Nordic Oil and Gas Ltd.
Statement of Operations and Loss
For the period ended September 30, 2007
(Unaudited)

REVENUE	Three months ended		Nine months ended	
	September 30,		September 30,	
	2007	2006	2007	2006
Oil and Gas Revenue	126,145	128,987	474,686	484,009
Liquids Revenue	2,477	3,825	7,287	12,067
Transport Revenue	9,072	(1,887)	16,663	13,413
Interest Revenue	1,843	2,575	5,469	11,228
Total Revenue	139,537	133,500	504,105	520,717
PRODUCTION COSTS				
Operating Costs	49,863	48,512	152,831	125,580
Royalties Costs	18,564	20,836	93,661	118,063
Total Production Costs	68,427	69,348	246,492	243,643
EXPENSES				
Depletion and Amortization Expense	164,233	60,164	385,130	194,138
General and Administration Expenses	38,077	47,101	117,101	118,967
Interest expense	20,620	-	50,180	-
Site Reclamation	(50,818)	11,216	-	33,656
Geological Services	-	3,568	43,501	35,661
Management Fees	30,000	30,000	90,000	90,000
Professional Fees	29,445	12,066	70,597	20,404
Regulatory Fees	1,257	3,450	17,554	18,746
Stock Option Expense	-	-	-	94,492
Total Expenses	232,813	167,565	774,062	606,064
Total Product Costs and Expenses	301,240	236,913	1,020,554	849,707
Net loss before taxes	(161,703)	(103,413)	(516,449)	(328,990)
Future income tax recovery	(149,382)	-	(149,382)	-
Net loss for the period	(12,321)	(103,413)	(367,067)	(328,990)
Changes in accounting policies(note 2)	(3,379)	-	(3,379)	-
Deficit, beginning	(1,778,061)	(1,141,788)	(1,423,315)	(916,222)
Deficit, ending	(1,793,761)	(1,245,201)	(1,793,761)	(1,245,212)
Loss per share	\$ (0.0006)	\$ (0.0064)	\$ (0.0191)	\$ (0.0213)

Nordic Oil and Gas Ltd.**Statement of Cash Flow**

For the period ended September 30, 2007

(Unaudited)

Cash Flow from Operating Activities	Three months ended		Nine months ended	
	September 30,		September 30,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Net Loss for the period	(12,321)	(103,413)	(367,067)	(328,990)
Adjustments for				
Depletion and Amortization	164,233	60,164	385,130	180,646
Stock Based Compensation	-	-	-	94,492
Site Reclamation	(50,818)	11,216	-	33,656
Future income tax recovery	(149,382)	-	(149,382)	-
Interest expense	-	-	-	-
Changes in non-cash working capital				
Accounts Receivable	94,376	(27,434)	89,654	3,030
Accounts Payable	28,322	112,019	(126,120)	(893,127)
Prepaid Expense	-	-	(11,632)	11,782
Total	<u>74,410</u>	<u>52,552</u>	<u>(179,418)</u>	<u>(889,511)</u>
Investing Activities				
Property and equipment acquisitions	(277,903)	(160,681)	(784,884)	(289,550)
Financing Activities				
Share capital issued net of issue costs	125,831	-	325,831	-
Increase (Decrease) in cash and equivalents, during the year	<u>(77,662)</u>	<u>(108,129)</u>	<u>(638,471)</u>	<u>(1,188,061)</u>
Cash and cash equivalents, beginning	9,876	377,669	645,095	1,457,601
Cash and cash equivalents, ending	<u>\$ 6,624</u>	<u>\$ 269,540</u>	<u>6,624</u>	<u>269,540</u>
Cash and cash equivalents:				
Cash	(193,376)	(41,063)	(193,376)	(41,063)
Term Deposits due within 30 days	200,000	310,576	200,000	310,576
	<u>\$ 6,624</u>	<u>\$ 269,540</u>	<u>\$ 6,624</u>	<u>\$ 269,540</u>

NOTES TO THE FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES:

a) Incorporation

Nordic Oil and Gas Ltd., (the "Company") was incorporated under The Corporations Acts (Manitoba). The Company was originally classified as a venture capital pool corporation under the rules of the Toronto Venture Exchange ("TSX", formerly the Canadian Venture Exchange). Under such rules, to meet the initial listings requirements of a publicly traded company, the Company was required to complete a Qualifying Transaction. The Company completed a Qualifying Transaction on November 14, 2002, and is now listed on the TSX (see note 2).

b) Financial Instruments

Financial instruments included cash and term deposits, accounts and GST receivable, accounts payable and accrued liabilities. The estimated fair value of such financial instruments approximates their carrying values. A \$200,000 bank line is secured with a term deposit.

c) Future Income Taxes

The company follows the liability method of accounting for income taxes. Under this method, income taxes are recognized for the future income tax consequences attributable to differences between the carrying value and the tax bases of assets and liabilities.

d) Oil & Gas Interest and Depletion

The company follows the full cost method of accounting for oil and gas properties whereby all costs relating to acquisition, exploration and development of oil and gas reserves are capitalized. Such costs include land acquisitions costs, geological and geophysical costs, drilling and other costs related to exploration and development activities. Proceeds from the disposal of oil and gas properties are applied against the capitalized costs of the related property.

The Company annually applies a ceiling test to capitalized costs, net of accumulated depletion and depreciation, to ensure they do not exceed the estimated undiscounted value of future net revenues from proven oil and gas reserves, based on year-end prices and costs, adjusted for estimated future general and administrative expenses, abandonment and site restoration costs, financing costs, and income taxes. Upon commencement of production, capitalized costs are depleted using the unit-of-production method, based on estimated provable oil and gas reserves determined by independent engineering.

At present, a substantial portion of the company's activities are conducted with others. These financial statements reflect only the Company's proportionate interest in joint ventures.

e) Stock Based Compensation

The Company has a stock option plan for its directors, officers and employees. Any compensation paid by option holders on the exercise of stock options is credited to share capital.

Commencing November 1, 2002, the company adopted the new Canadian accounting standard for stock based compensation and other stock-based payments which requires that all stock-based awards granted to non-employees be accounted for at fair market value.

f) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles require management to make estimates and assumptions that affect the reporting amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

g) Measurement Uncertainty

The amounts recorded for depletion, depreciation and amortization of oil and gas interests and property and equipment are based on estimates. The ceiling test is based on estimates of proven reserves, production rates, oil price, future costs and other relevant assumptions. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

h) Statement Format

The company will now present the Statement of Cash Flows using the indirect method. This will allow users a straightforward means to compare the company's financial statements.

2. CHANGES IN ACCOUNTING POLICIES

On January 1, 2007, the Company adopted the new or revised Canadian accounting standards for accounting changes, comprehensive income, financial instruments—recognition and measurement and financial instruments—presentation and disclosures. Prior periods have not been restated. Additional disclosure requirements for financial instruments have been approved by the Canadian Institute of Chartered Accountants and will be required disclosure beginning January 1, 2008.

At January 1, 2007, the following adjustments were made to the balance sheet to adopt the new standards:

	January 1, 2007
Deferred costs - decrease	\$ 114,901
Retained earnings - decrease (Deficit - increase)	3,379
Convertible debenture - decrease	111,522

a) Accounting changes

Voluntary changes in accounting policies are permitted only if they result in financial statements which provide more reliable and relevant information. Accounting policy changes are applied retrospectively unless it is impracticable to determine the period or cumulative impact of the change. Corrections of prior period errors are applied retrospectively and change in accounting estimates are applied prospectively by including the effect of the change in earnings.

b) Financial instruments—recognition and measurement

This new standard requires all financial instruments within its scope, including all derivatives, to be recognized on the balance sheet initially at fair value. Subsequent measurement of all financial assets and liabilities except those held-for-trading and available for sale are measured at amortized cost determined using the effective interest rate method. Held-for-trading financial assets and liabilities are measured at fair value with changes in fair value recognized in earnings. Loans and receivable financial assets and other financial liabilities are measured at cost or amortized cost if interest-bearing. Available-for-sale financial assets are measured at fair value with changes in fair value recognized in comprehensive income and reclassified to earnings when derecognized or impaired. Changes to the measurement of existing financial assets and liabilities at the date of adoption were adjusted to either opening deficit or opening accumulated other comprehensive income as noted above.

c) Comprehensive income

Comprehensive income is the change in shareholders' equity during a period from transactions and other events and circumstances from non-owner sources and includes unrealized gains and losses on financial assets classified as held available-for-sale. When related amounts are recorded in accordance with this new standard, the Company will report a consolidated statement of comprehensive income combined with the consolidated statement of operations and a new category, accumulated other comprehensive income, in the shareholders' equity section of the consolidated balance sheet.

d) Derivative instruments

The Company may use various types of derivative financial instruments to manage risks associated with crude oil and natural gas price fluctuations. These instruments are not used for trading or speculative purposes. Proceeds and costs realized from holding the related contracts are recognized in petroleum and natural gas revenues at the time that each transaction under a contract is settled. For the unrealized portion of such contracts, the Company utilizes the fair value method of accounting.

The fair value is based on an estimate of the amounts that would have been paid to or received from counterparts to settle these instruments given future market prices and other relevant factors. The method requires the fair value of the derivative financial instruments to be recorded at each balance sheet date with the unrealized gains or losses on these contracts recorded through the consolidated statement of operations.

The Company has elected to account for its commodity sales and other non-financial contracts, which were entered into and continue to be held for the purpose of receipt or delivery of non-financial items in accordance with its expected purchase, sale or usage requirements as executory contracts on an accrual basis rather than as non-financial derivatives. Prior to adoption of the new standards, physical receipt and delivery contracts did not fall within the scope of the definition of a financial instrument and were also accounted for as executory contracts.

e) Transaction costs

Transaction costs attributable to financial instruments classified as other than held-for-trading are expensed in the consolidated statement of loss as incurred. Prior to January 1, 2007, transaction costs were recorded as deferred costs and recognized in the consolidated statement of operations on a straight-line basis over the term of the financial instrument. On adoption, previously deferred transaction costs were recognized as if they had been expensed in the year incurred through an adjustment to the Company's opening retained earnings (deficit).

f) Effective interest rate method

Financing fees and transaction costs attributable to financial instruments classified as other than held-for-trading such as convertible debentures are included in the recognized amount of the related financial instrument and recognized over the term of the financial instrument. Prior to January 1, 2007, financing fees and transaction costs were recorded as a deferred charge and recognized in the consolidated statement of operations on a straight-line basis over the life of the financial instrument. On adoption, financing fees and transaction costs are recognized as if the effective interest rate method had always been applied whereby the amount recognized varies over the life of the financial instrument based on the principal outstanding.

3. OIL AND GAS INTERESTS

The following is a summary of the oil and gas interests owned by the Company, their depletion using the units-of-production method, their cost, accumulated depletion and resulting net book value:

	<u>2007</u>		<u>2006</u>	
	Cost	Ac. Depletion	Cost	Ac. Depletion
Oil and gas	6,732,740	\$ 2,371,047	5,419,726	2,007,057
Net book value		4,361,693		3,412,669

4. FIXED ASSETS

The following is a summary of the fixed assets owned by the Company, their rates of amortization using declining balance method, their cost, accumulated amortization and resulting net book value:

	<u>2007</u>			<u>2006</u>	
	Rate	Cost	Acc. Amort.	Cost	Acc. Amort.
Computer	30%	13,907	3,918	11,095	2,990
Equipmen	30%	7,271	2,165	7,274	1,372
Net book value			15,095		14,007

5. Equity Instruments

The authorized capital of the Company is an unlimited number of Class A common shares.

Common shares issued	2007	
	Shares	Amounts
Balance, December 31, 2006	15,994,207	2,691,778
Acquisition of properties	1,500,000	450,000
Private placement of flow-through unit:	1,752,500	269,200
Share issue costs, net of taxes		(16,744)
Tax effect of flow-through shares		(35,380)
Balance, September 30, 2007	19,246,707	\$ 3,358,854

The company is authorized to issue an unlimited number of common shares without par value. Each unit of the Company sold as flow through common shares entitled the purchaser to one half share warrant, which can be purchased for \$.30. In conjunction with share issuance this quarter, 993,250 warrants were issued. The fair value of the warrants was estimated using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	4.61% and 4.25%
Expected life (years)	2
Expected volatility	127% and 128%
Expected dividend yield	0%

Warrants

	Warrants	Amounts
Balance, December 31, 2006	2,249,355	289,052
Private placement of flow-through unit:	876,250	81,300
	3,125,605	\$370,352

Options

The Company has established a stock option plan for its directors, officers, key employees, agents, and consultants. The total number of authorized and unissued common shares allocated to, and made available to, such participants under the plan, shall not exceed 10% of the issued and outstanding Class A Common Shares at the time of the granting of the option. At the balance sheet date there were 1,510,000 options outstanding. The fair value of the options was estimated using the Black-Scholes option-pricing model with the following assumptions:

Risk-free interest rate	4.00%
Expected life (years)	5
Expected volatility	142%-170%
Expected dividend yield	0%

<u>Issued</u>	<u>Option Price</u>	<u>Expire</u>
525,000	\$ 0.40	1/17/2008
50,000	\$ 0.40	5/21/2008
50,000	\$ 0.40	9/22/2008
25,000	\$ 0.40	10/9/2008
160,000	\$ 0.40	2/12/2009
210,000	\$ 0.45	1/31/2010
300,000	\$ 0.40	1/22/2011
190,000	\$ 0.25	12/13/2011

6. CONTRIBUTED SURPLUS

	<u>2007</u>
Balance, December 31, 2006 and September 30, 2007	842,096

7. CONVERTIBLE DEBENTURE

On November 30, 2006, the company issued convertible debentures in the amount of \$766,000 maturing on November 30, 2008 and bearing interest at an annual rate of 8%, payable semi-annually on each of the six and twelve month anniversary of the initial date of closing. The debenture is collateralized by all the present and future property and assets of the company. The debentures are convertible, at the option of the holder at any time, into Class A common shares of the Company at a conversion price of \$0.25. The maximum aggregate principal amount of convertibles debentures authorized under the Company's Trust Indenture is \$1,000,000.

8. CORPORATE OFFICERS AND BOARD OF DIRECTORS

Donald P Benson (1)
Chairman & Chief Executive Officer

Keith Peterson
Secretary-Treasurer & Director

Michael Mann, Geologist (1)
Director

Barry Palka (1)
Director

Brahm Silverstone, Geophysicist
Director

(1) is a member of audit committee

9. CORPORATE INFORMATION

HEAD OFFICE:

4727 Roblin Boulevard
Winnipeg, Manitoba, Canada R3R 0G2
Telephone: 204-956-5042
Fax: 204-897-7154

GENERAL INFORMATION:

Number of Shares Outstanding: 19,196,707
Stock Exchange Listing: TSXV:NOG
Fiscal Year-End: December 31
Transfer Agent: CIBC Mellon Trust, Winnipeg
Auditor: BDO Dunwoody
Reporting Jurisdictions: Alberta; Manitoba; Saskatchewan; British Columbia