UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2017
or
[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ____________ to ____________
Commission File Number 001-10346

Galenfeha, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**46-2283393**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

420 Throckmorton Street, Suite 200
Fort Worth, Texas 76102
(Address of principal executive offices) (Zip code)

(817) 945-6448
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant

(1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that 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 submitted electronically and posted on its corporate web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer [ ]	Accelerated Filer [ ]	
Non-Accelerated Filer [ ]	Smaller Reporting Company [X]	Emerging Growth Company [ ]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

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

As of November 15, 2017, there were 61,500,000 shares of the registrant's common stock outstanding, each with a par value of $0.001.

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(Unaudited)

Galenfeha, Inc.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

		September 30, 2017		December 31, 2016
ASSETS				
CURRENT ASSETS				
Cash	$	7,793	$	129,973
Marketable securities		42,500		-
Accounts receivable from related parties		-		14,189
Assets held for sale		-		381,041
Total current assets		50,293		525,203
OTHER ASSETS				
Deposits		-		1,000
Total other assets		-		1,000
TOTAL ASSETS	$	50,293	$	526,203
LIABILITIES AND STOCKHOLDERS' DEFICIT				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	$	45,081	$	32,892
Deferred revenue		-		43,602
Liabilities held for sale		-		350,000
Convertible debt		76,000		-
Due to officer		27,500		110,000
Total current liabilities		148,581		536,494
Total liabilities		148,581		536,494
STOCKHOLDERS' DEFICIT				
Preferred stock				
Preferred A shares: 20,000,000 authorized, $0.001 par value, 7,300,000 and 0 issued and outstanding at September 30, 2017 and December 31, 2016		7,300		-
Preferred B shares: 30,000,000 authorized , $0.001 par value, 27,347,563 issued and outstanding at September 30, 2017 and December 31, 2016		27,348		27,348
Common stock: 150,000,000 authorized, $0.001 par value, 61,500,000 issued and outstanding at September 30, 2017 and 69,318,537 issued and outstanding at December 31, 2016		61,500		69,318
Additional paid-in capital		3,424,332		3,384,950
Accumulated deficit		(3,618,768)		(3,491,907)
Total stockholders' deficit		(98,288)		(10,291)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$	50,293	$	526,203

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Galenfeha, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

		Three Months Ended September 30, 2017		Three Months Ended September 30, 2016		Nine Months Ended September 30, 2017		Nine Months Ended September 30, 2016
Operating Expenses:								
General and administrative		2,589		2,390		6,999		8,587
Payroll expenses		-		8,074		5,764		24,222
Professional fees		12,401		12,050		68,916		48,721
Research and development		3,788		-		3,788		-
Total operating expenses		18,778		22,514		85,467		81,530
Loss from operations		(18,778)		(22,514)		(85,467)		(81,530)
Other income (expense)								
Interest income		-		-		-		6
Royalty income		-		-		5,000		-
Miscellaneous income		-		19,893		939		22,575
Realized gain (loss) on sale of investments		(1,026)		-		778		-
Unrealized gain (loss) on trading securities		(8,511)		-		(2,263)		-
Interest expense		(11,740)		(142,698)		(18,203)		(204,505)
Loss on derivative instruments		-		534,230		-		(114,661)
Total other income (expense)		(21,277)		411,425		(13,749)		(296,585)
Loss from continuing operations		(40,055)		388,911		(99,216)		(378,115)
Loss from discontinued operations		-		(140,529)		(27,645)		(374,872)
Net loss	$	(40,055)	$	248,382	$	(126,861)	$	(752,987)
Loss per share, basis and diluted								
Continuing operations	$	(0.00)	$	(0.00)	$	(0.00)	$	(0.00)
Discontinued operations		0.00		(0.00)		(0.00)		(0.00)
Net loss	$	(0.00)	$	(0.00)	$	(0.00)	$	(0.00)
Weighted average number of common shares outstanding, basis		61,717,702		86,869,035		62,326,092		86,375,553
Weighted average number of common shares outstanding, diluted		61,717,702		99,783,063		62,326,092		86,375,553

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Galenfeha, Inc.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIT
(Unaudited)

	Preferred Stock		Common Stock		Additional Paid-in	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balance – December 31, 2016	27,347,563	$27,348	69,318,537	$69,318	$3,384,950	$(3,491,907)	$(10,291)
Common stock returned to Company and cancelled	-	-	(500,000)	(500)	500	-	-
Forfeiture of unvested shares issued for service	-	-	-	-	(12,750)	-	(12,750)
Related party gain on sale of pump assets	-	-	-	-	52,291	-	52,291
Common stock converted to preferred stock	8,118,537	8,118	(8,118,537)	(8,118)	-	-	-
Preferred stock converted to common stock	(818,537)	(818)	818,537	818	-	-	-
Repurchase and cancellation of common stock	-	-	(18,537)	(18)	(659)	-	(677)
Net loss	-	-	-	-	-	(126,861)	(126,861)
Balance – September 30, 2017	34,647,563	$34,648	61,500,000	$61,500	$ 3,424,332	$(3,618,768)	$(98,288)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Galenfeha, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
OPERATING ACTIVITIES		
Net loss	$ (126,861)	$ (752,987)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	-	20,526
Non-vested options forfeited	-	(26,745)
Common shares issued for services	(12,750)	(25,217)
Options expense	-	54,402
Loss on derivative instruments	-	114,661
Amortization of debt discounts on convertible notes	-	204,505
Realized losses (gains) on investments	(778)	-
Unrealized losses (gains) on investments	2,263	-
Financing costs on convertible note expensed	6,000	-
Changes in Operating Assets and Liabilities:		
(Increase) Decrease in accounts receivable	14,189	97,949
(Increase) Decrease in accounts receivable from related party	-	(19,785)
(Increase) Decrease in inventory	6,041	241,917
(Increase) Decrease in prepaid expenses and other assets	1,000	(56,773)
Increase (Decrease) in accounts payable and accrued liabilities	32,314	(133,031)
Increase (Decrease) in accounts payable to related parties	-	(107,356)
Increase (Decrease) in deferred revenue	(11,436)	115,629
Net cash used in operating activities	(90,018)	(272,305)
INVESTING ACTIVITIES		
Sales and (purchases) of investments, net	(43,985)	-
Repurchase and Cancellation of Shares	(667)	
Cash received for sale of pump assets	25,000	-
Net cash provided by financing activities	(19,662)	-
FINANCING ACTIVITIES		
Proceeds from line of credit/notes payable/margin loan	49,805	439,168
Payments on note payable/margin loan	(49,805)	(269,073)
Payments on liabilities due to officer	(82,500)	-
Proceeds from convertible debentures, net of original issue discounts	70,000	268,694
Proceeds from related party promissory note	-	100,000
Net cash (used in) provided by financing activities	(12,500)	538,789
(DECREASE) INCREASE IN CASH	(122,180)	266,484
CASH AT BEGINNING OF PERIOD	129,973	47,333
CASH AT END OF PERIOD	$ 7,793	$ 313,817
SUPPLEMENTAL INFORMATION		
Cash paid for:		
Interest expense	$ 340	$ 5,600
Income taxes	-	-
NONCASH INVESTING AND FINANCING ACTIVITIES		
Common stock converted to preferred stock	$ 8,118	$ -
Preferred stock converted to Common stock	818	-
Return and cancellation of common stock	500	-
Gain on sale of pump division to related party	52,291	-
Liabilities released upon sale of pump division	402,291	-
Debt discount due to derivative liabilities	-	268,694
Common stock issued for debt conversion		45,318

Reclassification of conversion option from equity to derivative liabilities	-	6,175
Derivative liability extinguished on conversion		122,468

The accompanying notes are an integral part of these unaudited consolidated financial statements.

Galenfeha, Inc.
Notes to Unaudited Consolidated Financial Statements
September 30, 2017

NOTE 1 - BASIS OF PRESENTATION

The accompanying financial statements have been prepared by the Company without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations, and cash flows at September 30, 2017, and for all periods presented herein, have been made.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been omitted. It is suggested that these unaudited interim financial statements be read in conjunction with the financial statements and notes thereto included in the Company's December 31, 2016 audited financial statements included in its Form 10-K filed with the Securities and Exchange Commission. The results of operations for the period ended September 30, 2017 and the same period last year are not necessarily indicative of the operating results for the full years.

Recent Accounting Pronouncements

The Financial Accounting Standards Board, or FASB, has issued Accounting Standards Update No. 2014-09, Revenue from contracts with Customers (Topic 606), or ASU 606. ASU 606 provides guidance outlining a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers in an amount that supersedes most current revenue recognition guidance. This guidance requires us to recognize revenue when we transfer promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. We are required to adopt ASU 606 at the beginning of our first quarter of fiscal 2018. The new guidance requires enhanced disclosures, including revenue recognition policies to identify performance obligations to customers and significant judgments in measurement and recognition. The new guidance may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of the adoption. We will apply the guidance when adopted, and provide the relevant disclosures in the first interim and annual periods in which we adopt the guidance. We do not expect the adoption of this guidance to have a material impact on our consolidated financial statements within any accounting period presented.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842) (ASU 2016-02). Under ASU No. 2016-2, an entity will be required to recognize right-of-use assets and lease liabilities on its balance sheet and disclose key information about leasing arrangements. ASU No. 2016-02 offers specific accounting guidance for a lessee, a lessor and sale and leaseback transactions. Lessees and lessors are required to disclose qualitative and quantitative information about leasing arrangements to enable a user of the financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. For public companies, ASU No. 2016-02 is effective for annual reporting periods beginning after December 15, 2018, including interim reporting periods within that reporting period, and requires a modified retrospective adoption, with early adoption permitted. The Company does not expect the adoption of this standard to have a material impact on the Company's consolidated financial statements.

NOTE 2 - GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The Company has incurred net losses and net cash used in operations since inception. These conditions raise substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the Company's ability to achieve a level of profitability. The Company intends on financing its future development activities and its working capital needs largely from the sale of public equity securities with some additional funding from other traditional financing sources, including term notes until such time that funds provided by operations are sufficient to fund working capital requirements. The financial statements of the Company do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classifications of liabilities that might be necessary should the Company be unable to continue as a going concern.

NOTE 3 – INVESTMENTS

Marketable securities are accounted for on a specific identification basis. As of September 30, 2017 and December 31, 2016 respectively, we held available for sale marketable securities with an aggregate fair value of $42,500 and $0 respectively. As of September 30, 2017, all of our marketable securities were invested in publicly traded equity holdings. Marketable securities were classified as current based on the percentage of the equity controlled by the Company as well as our intended use of the assets. The Company recognized unrealized losses, for the three months ended September 30, 2017 and 2016 in the amounts of $8,511 and $0, respectively and for the nine months ended September 30, 2017 and 2016 in the amounts of $2,263 and $0, respectively. The Company recognized realized losses, for the three months ended September 30, 2017 and 2016 in the amounts of $1,026 and $0, respectively and realized gains for the nine months ended September 30, 2017 and 2016 in the amounts of $778 and $0, respectively.

The Company's assets measured at fair value on a recurring basis subject to the disclosure requirements of ASC 820 at September 30, 2017, was as follows:

	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of September 30, 2017
Assets				
Marketable securities	$42,500	-	-	$42,500

During nine months ended September 30, 2017, the Company raised a total of $49,805 from margin loan associate with its brokerage account and repaid $49,805 during the same period. As of September 30, 2017, the company as $0 balance in this margin loan account.

NOTE 4 – NOTES PAYABLE

On August 23, 2016, the Company entered into a Promissory Note Agreement with Kevin L. Wilson, in the amount of $350,000. The note bears an interest rate of 11 ½ % per annum from the date until the principal is paid in full. This note may be prepaid in whole or in part, without penalty. All outstanding principal, interest and fees shall be due and payable on or before August 23, 2017. As of December 31, 2016, the principal and interest due on the note is $364,336 (the accrued interest of $14,336 is presented as accounts payable in the consolidated balance sheet). This note was assumed by the purchaser in the sale of the Company's Daylight Pumps division. It is classified as liabilities held for sale as of December 31, 2016. This note was assumed by the purchaser of the pumps division on March 9, 2017. The total amount of accrued interest due of $20,125 under the note was paid in full by the purchaser in the sale of the Company's Daylight Pumps division.

NOTE 5 – CONVERTIBLE LOANS

Effective June 8, 2017 the Company entered into a Convertible Promissory Note ("Power Up Note") with Power Up Lending Group, Ltd. pursuant to which the Company issued Power Up Lending Group, Ltd. a convertible note in the amount of $43,000. The maturity date is March 20, 2018.

On June 8, 2017 the Company received consideration of $40,000. In addition, the Company paid legal fees of $3,000 associated with the entering into this agreement and thus recognized a liability of $43,000 associated with the Power Up Note. The $3,000 of financing costs were expensed during the nine months ended September 30, 2017. The Power Up Note carries an interest rate of 12% per annum from the Issue Date until the principal amount becomes due and payable, whether at maturity or upon acceleration or by prepayment or otherwise. Any amount of principal or interest on the Power Up Note which is not paid when due shall bear interest at the rate of 22% per annum from the due date thereof until the same is paid. Interest shall commence accruing on the date that the Note is fully paid and shall be computed on the basis of a 365-day year and the actual number of days elapsed. The Company recognized the total accrued interest due under the Power Up Note totaling $12,900.

The Power Up Note provides Power Up Lending Group, Ltd. the right, to convert the outstanding balance (including accrued and unpaid interest) into shares of the Company's common stock at 60% of the lowest trade price in the 15 trading days previous to the conversion, additional discounts may apply in the case that conversion shares are not deliverable or if the shares are ineligible. Power Up Lending Group, Ltd. shall have the right to convert at any time during the period beginning on the date which is one hundred eighty days following the date of this Note and ending on the later of: (i) the Maturity Date and (ii) the date of payment of the Default Amount, each in respect of the remaining outstanding principal amount of this Note. Due to the one hundred eighty day restriction; the Company didn't record debt discounts or derivative liabilities associated with the Power Up Note.

Effective July 5, 2017 the Company entered into a Convertible Promissory Note ("Power Up Note #2") with Power Up Lending Group, Ltd. pursuant to which the Company issued Power Up Lending Group, Ltd. a convertible note in the amount of $33,000. The maturity date is March 20, 2018.

On July 5, 2017 the Company received consideration of $30,000. In addition, the Company paid legal fees of $3,000 associated with the entering into this agreement and thus recognized a liability of $33,000 associated with the Power Up Note #2. The $3,000 of financing costs were expensed during the nine months ended September 30, 2017. The Power Up Note #2 carries an interest rate of

12% per annum from the Issue Date until the principal amount becomes due and payable, whether at maturity or upon acceleration or by prepayment or otherwise. Any amount of principal or interest on the Power Up Note which is not paid when due shall bear interest at the rate of 22% per annum from the due date thereof until the same is paid. Interest shall commence accruing on the date that the Note is fully paid and shall be computed on the basis of a 365-day year and the actual number of days elapsed. The Company recognized accrued interest due under the Power Up Note #2 totaling $4,950.

The Power Up Note #2 provides Power Up Lending Group, Ltd. the right, to convert the outstanding balance (including accrued and unpaid interest) into shares of the Company's common stock at 60% of the lowest trade price in the 15 trading days previous to the conversion, additional discounts may apply in the case that conversion shares are not deliverable or if the shares are ineligible. Power Up Lending Group, Ltd. shall have the right to convert at any time during the period beginning on the date which is one hundred eighty days following the date of this Note and ending on the later of: (i) the Maturity Date and (ii) the date of payment of the Default Amount, each in respect of the remaining outstanding principal amount of this Note. Due to the one hundred eighty day restriction; the Company didn't record debt discounts or derivative liabilities associated with the Power Up Note #2.

NOTE 6 - SHAREHOLDERS' EQUITY

PREFERRED STOCK

The authorized stock of the Company consists of 50,000,000 preferred shares with a par value of $0.001.

During 2016, four officers and directors of the Company exchanged 27,347,563 common shares for 27,347,563 Series B preferred shares. During the first quarter of 2017, one officer and one director exchanged 7,568,537 common shares for 7,568,537 Series A preferred shares. During the second quarter of 2017, one officer converted 818,537 of preferred stock Series A back to same number of common stock. During the third quarter of 2017, one related party exchanged 550,000 common shares for 550,000 shares of preferred stock Series A.

As of September 30, 2017, 7,300,000 shares of the Company's preferred stock Series A were issued and outstanding. As of December 31, 2016, zero shares of the Company's preferred stock Series A were issued and outstanding.

As of September 30, 2017, and December 31, 2016, 27,347,563 shares of the Company's preferred stock Series B were issued and outstanding.

On December 20, 2016, shareholders of the company approved an amendment to the Bylaws for the creation of preferred stock. The preferred class of stock will consist of two (2) series, Series A, and Series B. All affiliates of the company who purchased stock during the formation of the company and who purchased stock for financing activities at prices below market will move their common shares into the Series B preferred stock, effective immediately. The Series B votes 1:1; is subject to all splits the same as common; converts back to common 1:1; and cannot be converted back to common for resale in the open market until a 30 day VWAP (volume weighted average price) of $.45 cents has been met in the Company's public trading market. All future sales of company securities by affiliates will adhere to rules and regulations of the Commission.

Affiliates who purchased stock at offering prices that were current at the time of purchase, and affiliates who make open market purchases and are directly responsible for a merger/acquisition that brings retained earnings to the company, can convert these common shares 1:1 into Series A preferred stock. Series A votes 1:1; converts back to common 1:1; is not subject to splits in order to facilitate mergers, acquisitions, or meeting the requirements of a listed exchange; and cannot be converted back to common for resale in the open market until a 30 day VWAP of $3.50 per share has been met in the Company's public trading market. All future sales of company securities by affiliates will adhere to rules and regulations of the Commission.

COMMON STOCK

The authorized stock of the Company consists of 150,000,000 common shares with a par value of $0.001.

As of September 30, 2017 61,500,000 shares of the Company's common stock were issued and outstanding. As of December 31, 2016, 69,318,537 shares of the Company's common stock were issued and outstanding.

In July 2016, the Company entered into an agreement for the issuance of 1,000,000 common shares for consulting services. The shares are to be transferred in four quarterly installments of two hundred fifty thousand shares on or before the fifth day of the following months: August 2016, October 2016, January 2017, and April 2017. On August 5, 2016, the Company issued 250,000 shares under this award. On October 5, 2016, the Company issued another 250,000 shares under this award. Since inception through December 31, 2016, $17,530 was expensed under this award.

On January 18, 2017 the company extinguished the remainder of the Consulting Agreement with Asher Oil & Gas Exploration in Natchez, Mississippi; and Lane Murray, of Jackson, Mississippi. The Company issued a one-time payment to the consultants of $40,000, which included the cancellation of any additional stock issuance, and the return of the 500,000 shares of Galenfeha common stock previously issued in Quarters 3 and 4 of 2016. The terms of this agreement previously included a $50,000 non-refundable retainer, as well as 1,000,000 shares of Galenfeha, Inc. (GLFH) common stock, to be issued in four quarterly installments. As of December 31, 2016, the consultants had received the retainer and a total of 500,000 shares of Galenfeha, Inc. common stock, per the agreement. The 500,000 shares of Galenfeha, Inc. common stock have been returned and cancelled; and no further stock will be issued pursuant to this agreement. Due to the forfeiture of the unvested shares, total $12,750 expense was reversed during the three months ended March 31, 2017. The consultants will keep their initial $50,000 non-refundable retainer.

On January 20, 2017 an offer was extended to Mr. Ron Barranco for the position of Chief Technology Officer. Mr. Barranco accepted this position on January 20, 2017. Mr. Barranco converted 2,000,000 shares of common stock to preferred stock Series A on January 20, 2017 and 818,537 shares of common stock to preferred stock Series A on February 21, 2017. On April 18, 2017 the Company received notice that Mr. Barranco was declining our employment offer and resigning as Chief Technology Officer. Management agreed to Mr. Barranco's resignation terms on May 1, 2017 and pursuant to such Mr. Barranco returned 818,537 shares of preferred stock Series A back to common stock.

On July 20, 2017; the Company bought back 18,537 shares of common stock through a brokerage account for a total price of $677 and cancelled the 18,537 shares of common in August 2017.

NOTE 7 - COMMITMENTS AND CONTINGENCIES

The Company leases space in Fort Worth, Texas for corporate facilities for $99 monthly or $1,188 per year. The terms of this lease are month to month.

Year Ended		Amount
2017	$	-
2018		-
2019		-
2020		-
2021		-
	$	-

From time to time the Company may be a party to litigation matters involving claims against the Company. Management believes that there are no current matters that would have a material effect on the Company's financial position or results of operations.

The Company received a letter on May 17, 2016 from the Caddo-Shreveport Sales and Use Tax Commission informing them of a parish sales and use tax audit scheduled to begin on June 28, 2016. The audit period covered is January 1, 2013 through May 31, 2016. The audit is currently under way and no judgments or assessments have been issued. Management is of the opinion that this audit will not result in any material change in the Company's financial results.

NOTE 8 – RELATED PARTY TRANSACTIONS

On November 16, 2016, the Company entered into an agreement with Fleaux Services, LLC for the sale of the company's battery and stored energy division, which includes, but is not limited to, all inventory, support equipment, and office operations located at 9204 Linwood Avenue, Suite 104 and 105, Shreveport, LA 71106. Mr. Trey Moore is the President/CEO of Fleaux Services, and also is a Director of Galenfeha, Inc. The sale is for a cash consideration of $350,000 USD; plus a 3% royalty on all Galenfeha-style batteries sold over the course of the next two years from the date this purchase agreement was executed. The cash consideration was for $175,000 in inventory and $175,000 for business good-will and was provided directly by Fleaux Services in cash. The sale includes all future sales, future purchase orders resulting from previous negotiations, and all intellectual property related to Galenfeha, Inc. battery manufacturing and distribution. Fleaux Services, LLC will assume responsibility for expenses related to the Galenfeha, Inc. battery division that includes previous expenses incurred for sales meetings that secured future purchase orders. All contractual agreements between the Galenfeha Inc. battery division and outside parties, including, but not limited to, consultants, suppliers, distributors, and sales representatives, become the responsibility of Fleaux Services, LLC. This includes all suppliers' outstanding invoices for materials not yet delivered and support equipment that will be relinquished to Fleaux Services, LLC upon the execution of this agreement. Galenfeha, Inc. will retain payments on all current outstanding purchase orders invoiced before the date of this purchase agreement. A gain on the sale of the battery and stored energy division of $15,008 was recognized as a capital transaction during 2016. During the nine months ending September 30, 2017, the Company received royalty payments of $5,000 from Fleaux Services, LLC relating to the sale of Galenfeha-style batteries.

On November 4, 2016, Mr. James Ketner, Galenfeha's Chairman and CEO made a cash contribution to the Company in the amount of $100,000 in exchange for a note that has a fixed repayment of $110,000. The note bears no interest, and can be repaid by the Company when the funds become available. The note can be renegotiated between Galenfeha and Mr. Ketner if both parties agree to the terms. There were no principal repayments on the note for the twelve months ending December 31, 2016, and the principal balance due under the note as of December 31, 2016 was $110,000. Principal repayments made under the note for the nine months ending September 30, 2017 totaled $82,500, and the principal balance due under the note as of September 30, 2017 was $27,500.

On March 9, 2017, the Company entered into an agreement with Fleaux Services, LLC for the sale of the Company's Daylight Pumps division, which includes, but in not limited to, all inventory located at 9204 Linwood Avenue, Suite 104 and 105, Shreveport, LA 7116, as well as all usage rights for the name "Daylight Pump." The sale is for cash consideration of $25,000, and Fleaux Services, LLC will assume the responsibility of a promissory note held by Kevin L. Wilson in the amount of $350,000 and all accrued interest due since the date of issuance on August 23, 2016. The sale will include all future pump sales, future purchase orders resulting from previous negotiations, and all intellectual property related to Daylight Pumps. A gain on the sale of the Daylight Pumps division of $52,291 was recognized as a capital transaction during 2017.

On August 4, 2017, Davis Leimbrook, the Chief Financial Officer of Fleaux Services, LLC, had 550,000 shares of common stock originally purchased in the open market transferred from common stock to preferred stock Series A.

NOTE 9 – DISCONTINUED OPERATIONS – STORED ENERGY AND DAYLIGHT PUMP DIVISIONS

On November 16, 2016, the Company entered into an agreement with Fleaux Services, LLC for the sale of the Company's battery and stored energy division, which includes, but is not limited to, all inventory, support equipment, and office operations located at 9204 Linwood Avenue, Suite 104 and 105, Shreveport, LA 71106. The sale is for a cash consideration of $350,000 USD; plus a 3% royalty on all Galenfeha-style batteries sold over the course of the next two years from the date this purchase agreement was executed. The cash consideration was for $175,000 in inventory and $175,000 for business good-will and was provided directly by Fleaux Services in cash. The sale includes all future sales, future purchase orders resulting from previous negotiations, and all intellectual property related to Galenfeha, Inc. battery manufacturing and distribution. Fleaux Services, LLC will assume responsibility for expenses related to the Galenfeha, Inc. battery division that includes previous expenses incurred for sales meetings that secured future purchase orders. All contractual agreements between the Galenfeha Inc. battery division and outside parties, including, but not limited to, consultants, suppliers, distributors, and sales representatives, become the responsibility of Fleaux Services, LLC. This includes all suppliers' outstanding invoices for materials not yet delivered and support equipment that will be relinquished to Fleaux Services, LLC upon the execution of this agreement. Galenfeha, Inc. will retain payments on all current outstanding purchase orders invoiced before the date of this purchase agreement. A gain on the sale of the battery and stored energy division of $15,008 was recognized as a capital transaction.

On March 9, 2017, the Company entered into an agreement with Fleaux Services, LLC for the sale of the Company's Daylight Pumps division, which includes, but in not limited to, all inventory located at 9204 Linwood Avenue, Suite 104 and 105, Shreveport, LA 7116, as well as all usage rights for the name "Daylight Pump." The sale is for cash consideration of $25,000, and Fleaux Services, LLC will assume the responsibility of a promissory note held by Kevin L. Wilson in the amount of $350,000 and all accrued interest due since the date of issuance on August 23, 2016. The sale will include all future pump sales, future purchase orders resulting from previous negotiations, and all intellectual property related to Daylight Pumps. During 2016, the Company recognized an aggregate impairment loss on this asset group of $443,935 to recognize the asset group at the lower of fair value or carrying value.

The Company recognized the sale of its stored energy division and Daylight Pumps division as a discontinued operation, in accordance with ASU 2014-08, *"Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity."*

Assets and Liabilities of Discontinued Operations

The following table provides the details of the assets and liabilities of our discontinued stored energy division:

Assets sold:		November 16, 2016
Inventory assets	$	180,681
Prepaid expenses		13,830
Property and equipment, net of accumulated depreciation		169,275
Total assets of discontinued operations		363,786
Consideration received:		
Cash proceeds		350,000
Liabilities assumed		28,794
Total liabilities of discontinued operations		378,794
Net assets sold		363,786
Consideration received		378,794
Related party gain recognized as a capital transaction		15,008

The following table provides the details of the assets and liabilities held for sale of our discontinued Daylight Pump division:

Assets sold:		March 9, 2017
Inventory assets	$	375,000

Prepaid expenses	-
Property and equipment, net of accumulated depreciation	-
Total assets of discontinued operations	375,000
Consideration received:	
Cash proceeds	25,000
Liabilities assumed	402,291
Total liabilities of discontinued operations	427,291
Net assets sold	375,000
Consideration received	427,291
Related party gain recognized as a capital transaction	52,291

Income and Expenses of Discontinued Operations

The following table provides income and expenses of discontinued operations for the nine months ended September 30, 2017 and 2016, respectively.

		September 30, 2017	September 30, 2016
Revenue – Third Parties	$	11,435	664,060
Revenue – Related Parties		-	65,744
Less: Cost of Goods Sold		6,041	535,657
Gross Profit		5,394	194,147
Other expenses			
General and administrative		27,250	275,527
Payroll expenses		-	292,123
Professional fees		-	-
Engineering research and development		-	(37,535)
Depreciation and amortization expense		-	20,526
Interest expense		5,789	18,378
Income (loss) from discontinued operations		(27,645)	(374,872)

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes included in this report and those in our Form 10-K filed with the Securities and Exchange Commission on March 31, 2017. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in such forward-looking statements as a result of certain factors, including but not limited to, those described under "Risk Factors" included in Part II, Item IA of this report.

Background Overview

Galenfeha was incorporated on March 14, 2013 in the state of Nevada. Our corporate office is located at 420 Throckmorton Street, Suite 200, Ft. Worth Texas 76102, and our telephone number is 1-817-945-6448. Our website is www.galenfeha.com.

We are an engineering, product development, and manufacturing company that generates revenue by receiving royalties from products we developed, providing engineering, regulatory, and business consulting services across numerous disciplines, such as aerospace, automotive, and medical, and by making investments in companies that our management team feels to be undervalued.

With the recent sale of our stored energy division, and our oil and gas equipment division, we have moved the Company in the direction our founder originally envisioned. Our objective is to be a vehicle that assembles a team and finances the development of groundbreaking new technology that is resistant to adverse economic and market fluctuations.

A condensed version of our 2017 Statement of Work is as follows:

1. Acquire or merge a profitable private company into our public company.
2. Explore investments both private and public.
3. Develop new technologies for engineering, manufacturers, and product life cycles.
4. Formulate applications for new or recently developed technologies.
5. Commercialize new technology and products.

Although information for this item is not required, the company chooses to provide the following disclosures:

CAUTIONARY NOTE TO INVESTORS: Investing in our securities, whether open market purchases or private transactions, comes with the high risk that you could lose your entire investment**.** Our independent registered public accountant has issued an audit opinion which includes a statement expressing substantial doubt as to our ability to continue as a going concern. We have a limited history of operations, and have to date incurred losses since the company's inception. We recently sold all divisions of our commercialized products, but retain royalties from some of these product lines.

On December 21, 2016, Mr. James Ketner was formally elected by the shareholders to assume the role of Chief Executive Officer beginning January 1, 2017. Since his reinstatement, Mr. Ketner has led the company back in the direction he originally intended; to be a vehicle that assembles a team and finances the development of new technology that is resistant to adverse economic and market fluctuations.

As of the date of this filing, Galenfeha has zero options that convert into common or preferred stock, no other notes or off balance sheet arrangements that convert into common or preferred stock, and zero debt other than to an affiliate.

The company has two classes of preferred stock. The preferred class of stock consists of two (2) series, Series A, and Series B. All affiliates of the company who purchased stock during the formation of the company and who purchased stock for financing activities at prices below market moved their common shares into the Series B preferred stock. The Series B votes 1:1; is subject to all splits the same as common; converts back to common 1:1; and cannot be converted back to common for resale in the open market until a 30 day VWAP (volume weighted average price) of $.45 cents has been met in Galenfeha's public trading market. All future sales of company securities by affiliates will adhere to rules and regulations of the Commission.

Affiliates who purchased stock at offering prices that were current at the time of purchase, and affiliates who make open market purchases and are directly responsible for a merger/acquisition that brings retained earnings to the company, can convert these common shares 1:1 into Series A preferred stock. Series A votes 1:1; converts back to common 1:1; is not subject to splits in order to facilitate mergers, acquisitions, or meeting the requirements of a listed exchange; and cannot be converted back to common for resale in the open market until a 30 day VWAP of $3.50 per share has been met in Galenfeha's public trading market. All future sales of company securities by affiliates will adhere to rules and regulations of the Commission.

On January 23, 2017, the Company announced on Form 8-K filed with the commission that the company entered into an agreement to sell its entire Daylight Pump inventory to SouthVest BDC, LLC for a cash selling price of $400,000. A majority of the proceeds of this sale were to be used to repay a note secured by the pump inventory with Kevin L. Wilson on August 23, 2016, for $350,000 plus accrued interest.

On March 9, 2017, the company sold its entire Daylight Pump inventory to Fleaux Services, LLC. The sale was for a cash consideration of $25,000 USD; and Fleaux Services, LLC will assume responsibility of a promissory note held by Kevin L. Wilson in the amount of $350,000 and all accrued interest this note had accumulated since issuance on August 23, 2016.

The Company currently plans to use additional revenues and earnings generated from their investment account to cover expenses and outstanding payable balances due. After all of the payable balances are extinguished the Company intends to proceeds with research and development using the gains from the investment account.

Liquidity

Assets

At September 30, 2017, we had total assets of $50,293, of which $7,793 was in cash.

Results of Operations for the Three Months ending September 30, 2017

Revenues – Discontinued Operations

Revenues for the three months ended September 30, 2017 and 2016 were $0, and $322,009, respectively. Of the $322,009; $292,649 were to third parties and $29,360 were to related parties. The decrease is from the Company selling its Stored Energy and Daylight Pump division.

Cost of Revenues – Discontinued Operations

Cost of Revenues for the three months ended September 30, 2017 and 2016 were $0 and $243,493, respectively. Costs were cost of materials and manufacturing supplies with the decrease due to the sale of the Company's battery and Daylight Pump division.

Operating Expense – Continuing Operations

Total operating expenses for the three months ended September 30, 2017 and 2016 were $18,778 and $22,514, respectively.

Net Operating Income (Loss) and Net Income (Loss)

Net operating income (loss) for the three months ended September 30, 2017 and 2016 was ($40,055) and $248,382 respectively. The Company realized a higher net operating income during 2016 due to the gain attributable to convertible debenture agreements entered into by the Company prior to 2017.

Results of Operations for the Nine Months ending September 30, 2017

Revenues – Discontinued Operations

Revenues for the nine months ended September 30, 2017 and 2016 were $11,435, and $729,804, respectively. Of the $729,804; $664,060 were to third parties and $65,744 were to related parties. All of the sales attributable to the $11,435 were to third parties. The decrease is from the Company selling its Stored Energy and Daylight Pump division. The one sale during the nine months ending September 30, 2017 of $11,435 was related to fulfillment of a prior customer's prepayment with respect to a battery order.

Cost of Revenues – Discontinued Operations

Cost of Revenues for the nine months ended September 30, 2017 and 2016 were $6,041 and $535,657, respectively. Costs were cost of materials and manufacturing supplies with the decrease due to the sale of the Company's battery and Daylight Pump division. The $6,041 was related to the one sale that occurred during the nine months ending September 30, 2017.

Operating Expense – Continuing Operations

Total operating expenses for the nine months ended September 30, 2017 and 2016 were $85,467 and $81,530, respectively.

Net Operating Loss and Net Loss

Net operating loss for the nine months ended September 30, 2017 and 2016 was $99,216 and $378,115 respectively. The Company realized a lower net operating loss because the Company paid off all convertible debenture agreements prior to 2017.

Net loss for the nine months ended September 30, 2017 and 2016 was $126,861 and $752,987 respectively. The Company realized a lower net loss because the Company paid off all convertible debenture agreements prior to 2017.

Equity Distribution

Since our incorporation, we have raised capital through private sales of our common equity. As of September 30, 2017 we have issued 61,500,000 shares of our common stock to various shareholders.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Item 3. Quantitative & Qualitative Disclosures about Market Risks

Not applicable.

Item 4. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

As of the end of period covered by this report, the Company carried out an evaluation, with the participation of the Company's Chief Executive Officer and Principal Financial Officer, of the effectiveness of the Company's disclosure controls and procedures pursuant to Securities Exchange Act Rule 13a-15. Based upon that evaluation, the Company's Chief Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures were not effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms.

(b) Changes in internal controls over financial reporting.

No changes were made to the Company's internal controls in the quarterly period covered by this report that have materially affected, or are reasonably likely materially to affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

None

Item 1A. Risk Factors

A description of the risks associated with our business, financial condition and results of operations is set forth in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016, filed with the SEC on March 31, 2017. These factors continue to be meaningful for your evaluation of the Company and we urge you to review and consider the risk factors presented in the Annual Report on Form 10-K. We believe there have been no changes that constitute material changes from these risk factors.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None

Item 3. DEFAULTS UPON SENIOR SECURITEIES

None

Item 4. MINE SAFETY DISCLOSURES

Not applicable

Item 5. OTHER INFORMATION

None

Item 6. EXHIBITS

(a) Exhibits:

Number	Description
31.1	Certification of Chief Executive and Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (Filed herewith.)
32.1	Certification of Chief Executive and Financial Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (Filed herewith.)

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

SIGNATURES

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

Galenfeha, Inc.

Date: November 20, 2017

By: */s/ James Ketner*

Name: James Ketner
President and Chief Executive Officer
(Principal Financial Officer, Principal Accounting Officer)