

United States  
Securities and Exchange Commission  
Washington, D.C. 20549

**FORM 10-Q**

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

For the quarterly period ended October 31, 2008

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 000-31701

**Bowlin Travel Centers, Inc.**

(Exact name of registrant as specified in its charter)

**NEVADA**

(State or other jurisdiction of incorporation  
or organization)

**85-0473277**

(IRS Employer Identification No.)

**150 LOUISIANA NE, ALBUQUERQUE, NM**

(Address of principal executive offices)

**87108**

(Zip Code)

Registrant's telephone number, including area code: 505-266-5985

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

As of December 10, 2008, 4,582,348 shares of the issuer's common stock were outstanding.

## BOWLIN TRAVEL CENTERS, INC.

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**PART I. FINANCIAL INFORMATION**  
**Item 1. Financial Statements**

**BOWLIN TRAVEL CENTERS, INC.**  
**Condensed Balance Sheets**  
**(in thousands, except share data)**

	October 31, 2008 (Unaudited)	January 31, 2008
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,906	\$ 1,899
Marketable securities	1,800	2,300
Accounts receivable	63	94
Inventories	3,292	3,411
Prepaid expenses	228	208
Interest receivable	23	29
Income taxes	309	245
Notes receivable, current maturities	55	60
Total current assets	7,676	8,246
Property and equipment, net	9,850	9,855
Assets held for sale	1,118	1,123
Intangible assets, net	42	47
Investment in real estate	419	419
Notes receivable, less current maturities	132	172
Total assets	\$ 19,237	\$ 19,862
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 737	\$ 769
Current installments of long-term debt	139	128
Accrued liabilities	403	620
Deferred revenue	34	24
Total current liabilities	1,313	1,541
Deferred income taxes	577	639
Long-term debt, less current installments	4,476	4,577
Total liabilities	6,366	6,757
Stockholders' equity:		
Preferred stock, \$0.001 par value; 1,000,000 shares authorized, none issued or outstanding at October 31, 2008 and January 31, 2008	—	—
Common stock, \$0.001 par value; 10,000,000 shares authorized, 4,582,348 issued and outstanding at October 31, 2008 and January 31, 2008	5	5
Less: Treasury stock (1,000 shares at par)	—	—
Common stock outstanding	5	5
Additional paid in capital, net	9,774	9,775
Retained earnings	3,092	3,325
Total stockholders' equity	12,871	13,105
Total liabilities and stockholders' equity	\$ 19,237	\$ 19,862

See accompanying notes to condensed financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Condensed Statements of Income**  
(in thousands, except share and per share data)

	Three Months Ended		Nine Months Ended	
	October 31, 2008 (Unaudited)	October 31, 2007 (Unaudited)	October 31, 2008 (Unaudited)	October 31, 2007 (Unaudited)
Gross sales	\$ 5,917	\$ 6,909	\$ 20,243	\$ 21,986
Less discounts on sales	<u>48</u>	<u>246</u>	<u>150</u>	<u>378</u>
Net sales	5,869	6,663	20,093	21,608
Cost of goods sold	<u>4,295</u>	<u>4,792</u>	<u>14,474</u>	<u>14,935</u>
Gross profit	1,574	1,871	5,619	6,673
General and administrative expenses	(1,755)	(1,849)	(5,335)	(5,756)
Depreciation and amortization	<u>(212)</u>	<u>(205)</u>	<u>(633)</u>	<u>(594)</u>
Operating income (loss)	(393)	(183)	(349)	323
Non-operating income (expense):				
Interest income	32	58	104	133
Gain (loss) on sale of property and equipment	7	10	17	37
Interest expense	(71)	(83)	(208)	(298)
Miscellaneous income	—	—	—	2
Rental income	<u>40</u>	<u>38</u>	<u>117</u>	<u>123</u>
Total non-operating income (expense)	<u>8</u>	<u>23</u>	<u>30</u>	<u>(3)</u>
Income (loss) from continuing operations before income taxes	(385)	(160)	(319)	320
Income tax benefit (expense)	<u>143</u>	<u>53</u>	<u>112</u>	<u>(133)</u>
Income (loss) from continuing operations	(242)	(107)	(207)	187
Discontinued operations				
Loss from operations of discontinued components	(19)	(68)	(40)	(270)
Income tax benefit	<u>7</u>	<u>28</u>	<u>14</u>	<u>107</u>
	<u>(12)</u>	<u>(40)</u>	<u>(26)</u>	<u>(163)</u>
Income from disposal of discontinued operations, net of income tax expense	<u>—</u>	<u>—</u>	<u>—</u>	<u>549</u>
Net income (loss)	<u>\$ (254)</u>	<u>\$ (147)</u>	<u>\$ (233)</u>	<u>\$ 573</u>
Earnings (loss) per share:				
Basic and diluted, continuing operations	<u>\$ (0.05)</u>	<u>\$ (0.02)</u>	<u>\$ (0.04)</u>	<u>\$ 0.04</u>
Basic and diluted, discontinued operations	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>	<u>\$ (0.03)</u>
Basic and diluted, disposal of discontinued operations	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 0.12</u>
Basic and diluted, net income (loss)	<u>\$ (0.06)</u>	<u>\$ (0.03)</u>	<u>\$ (0.05)</u>	<u>\$ 0.13</u>
Weighted average common shares outstanding	<u>4,582,348</u>	<u>4,583,348</u>	<u>4,582,348</u>	<u>4,583,348</u>

See accompanying notes to condensed financial statements.

**BOWLIN TRAVEL CENTERS, INC.**  
**Condensed Statements of Cash Flows**  
(in thousands)

	For the Nine Months Ended	
	October 31, 2008 (Unaudited)	October 31, 2007 (Unaudited)
Cash flows from operating activities:		
Net income (loss)	\$ (233)	\$ 573
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	645	655
Amortization of loan fee	3	14
Deferred income taxes, net	(62)	(108)
Gain on sale of assets	(17)	(1,004)
Retirement of debt issuance costs	—	132
Changes in operating assets and liabilities, net	(174)	(48)
Net cash provided by operating activities	162	214
Cash flows from investing activities:		
Marketable securities	500	(247)
Purchase of marketable securities	—	(1,500)
Proceeds from sale of assets	1	2,448
Purchases of property and equipment, net	(653)	(874)
Accrued interest receivable	6	(18)
Investment in real estate	—	(4)
Notes receivable, net	82	78
Treasury stock, net	(1)	—
Net cash used in investing activities	(65)	(117)
Cash flows from financing activities:		
Payments on long-term debt	(90)	(204)
Net cash used in financing activities	(90)	(204)
Net increase (decrease) in cash and cash equivalents	7	(107)
Cash and cash equivalents at beginning of period	1,899	2,308
Cash and cash equivalents at end of period	\$ 1,906	\$ 2,201

See accompanying notes to condensed financial statements.

## BOWLIN TRAVEL CENTERS, INC.

### Notes to Condensed Financial Statements (Unaudited)

1. The condensed financial statements of Bowlin Travel Centers, Inc. (the "Company") as of and for the three and nine months ended October 2008 and 2007 are unaudited and reflect all adjustments (consisting only of normal recurring adjustments) which are, in the opinion of management, necessary for a fair presentation of the financial position, operating results and cash flows for the interim periods. The interim financial statements should be read in conjunction with the financial statements and notes, together with management's discussion and analysis of financial condition and results of operations, contained in the Company's annual report on Form 10-K for the fiscal year ended January 31, 2008. Results of operations for interim periods are not necessarily indicative of results that may be expected for the fiscal year as a whole.
2. The Company continues to list two retail locations for sale. One location is in Alamogordo, New Mexico and the other retail location is in Edgewood, New Mexico.

The property, fixtures and equipment located 4 miles north of Alamogordo listed for sale have been identified as a component as defined in FAS Statement No. 144 – Accounting for Impairment or Disposal of Long-Lived Assets (as amended). The carrying value of the property, fixtures and equipment of approximately \$647,000 and \$653,000 have been reclassified as assets held for sale in the October 31, 2008 and January 31, 2008 balance sheets, respectively. The results of operations of approximately (\$12,000) and (\$8,000) for the three months ended October 31, 2008 and 2007, respectively, have been reclassified to loss from discontinued operations of a component, net of the related income tax benefit. The results of operations of approximately (\$25,000) and (\$12,000) for the nine months ended October 31, 2008 and 2007, respectively, have been reclassified to loss from discontinued operations of a component, net of the related income tax benefit.

The property, fixtures and equipment located in Edgewood listed for sale have been identified as a component as defined in FAS Statement No. 144 – Accounting for Impairment or Disposal of Long-Lived Assets (as amended). On October 31, 2007, the Company closed the Edgewood location. The carrying value of the property, fixtures and equipment of approximately \$471,000 and \$470,000 have been reclassified as assets held for sale in the October 31, 2008 and January 31, 2008 balance sheets, respectively. There were no results of operations for the three months ended October 31, 2008. The results of operations of approximately (\$33,000) for the three months ended October 31, 2007 has been reclassified to loss from discontinued operations of a component, net of the related income tax benefit. The results of operations of approximately (\$1,000) and (\$99,000) for the nine months ended October 31, 2008 and 2007, respectively, have been reclassified to loss from discontinued operations of a component, net of the related income tax benefit.

The results of operations for the three months ended October 31, 2007, include approximately \$1,000, which was reclassified to income of discontinued operations of a component, net of the related income tax expense. The results of operations for the nine months ended October 31, 2007, include approximately (\$52,000) which was reclassified to loss of discontinued operations of a component, net of the related income tax benefit. This component was sold May 24, 2007.

3. On August 29, 2008, the Company disposed of approximately one acre of land in the county of Dona Ana, New Mexico to the Commissioner of Public Lands for the State of New Mexico as Trustee for the State of New Mexico. The land had a carrying value of approximately \$125,000. The Company exchanged the land for approximately 30 acres of land in Dona Ana County, New Mexico where the Company's Old West Trading Post property is located. The fair value of the land received and the carrying value of the land exchanged by the Company are approximately equal. Therefore, no gain or loss was recorded on the transaction.
4. On September 29, 2008, the Company issued a press release announcing plans to begin a stock repurchase program whereby up to 1,000,000 shares of its common stock outstanding may be repurchased

## **BOWLIN TRAVEL CENTERS, INC.**

in the open market or in privately negotiated purchases from time to time, depending on market conditions and other factors. The purchases will be funded from available working capital and will be made in accordance with applicable securities laws and regulations.

During the quarter ended October 31, 2008, the Company repurchased 1,000 shares of its outstanding common stock for \$1.60 per share, a total repurchase of \$1,600. The common stock issued and outstanding was reduced by 1,000 shares or \$1.00, and additional paid in capital was reduced by \$1,599. The reduction in shares issued and outstanding and additional paid in capital is reflected in the accompanying balance sheet.

### **5. New Accounting Pronouncements.**

In November 2008, the FASB announced plans to issue final FSP FAS 140-4 and FIN 46(R)-8, "Disclosures about Transfers of Financial Assets and Interests in Variable Interest Entities". The purpose of this FSP is to promptly improve disclosures by public entities and enterprises until the pending amendments to FASB Statement No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" and FASB Interpretation No. 46 (revised December 2003), "Consolidation of Variable Interest Entities", are finalized and approved by the Board. Effective at the end of the first reporting period (interim and annual) after issuance of the FSP for public entities, the FSP amends Statement 140 to require public entities to provide additional disclosures about transfers of financial assets and variable interests in qualifying special-purpose entities. It also amends Interpretation 46(R) to require public enterprises to provide additional disclosures about their involvement with variable interest entities. FAS 140-4 and FIN 46(R)-8 is effective for financial statements issued for fiscal years beginning after December 15, 2008. The Company is currently assessing the effect of FAS 140-4 and FIN 46(R)-8 on its financial statements, but it is not expected to be material.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities". This pronouncement amends SFAS No. 133 and requires enhanced disclosures about an entity's derivative and hedging activities thereby improving the transparency of financial reporting. SFAS No. 161 is effective for financial statements issued for fiscal years beginning after November 15, 2008. The Company is currently assessing the effect of SFAS No. 161 on its financial statements, but it is not expected to be material.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements – an amendment of ARB No. 51." This statement provides new accounting guidance and disclosure and presentation requirements for noncontrolling interest in a subsidiary. SFAS No. 160 is effective for the first fiscal year beginning on or after December 15, 2008. The Company is currently assessing the effect of SFAS No. 160 on its financial statements, but it is not expected to be material.

In December 2007, the FASB issued SFAS No. 141(R), "Business Combinations." This statement provides new accounting guidance and disclosure requirements for business combinations. SFAS No. 141(R) is effective for business combinations which occur in the first fiscal year beginning on or after December 15, 2008.

In December 2007, the FASB finalized the provisions of the Emerging Issues Task Force (EITF) Issue No. 07-1, "Accounting for Collaborative Arrangements." This EITF Issue provides guidance and requires financial statement disclosures for collaborative arrangements. EITF Issue No. 07-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008. The Company is currently assessing the effect of EITF Issue No. 07-1 on its financial statements but it is not expected to be material.

## **BOWLIN TRAVEL CENTERS, INC.**

### **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

*Certain statements contained herein with respect to factors which may affect future earnings, including management's beliefs and assumptions based on information currently available, are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements that are not historical facts involve risks and uncertainties, and results could vary materially from the descriptions contained herein.*

#### **Overview**

The following is a discussion of the financial condition as of October 31, 2008 and January 31, 2008 and results of operations of the Company as of and for the periods ended October 31, 2008 and 2007. This discussion should be read in conjunction with the Financial Statements of the Company and the related notes included in the Company's annual report on Form 10-K for fiscal year ended January 31, 2008.

The Company's principal business activities include the operation of full-service travel centers and restaurants that offer brand name food and gasoline, and a unique variety of Southwestern merchandise to the traveling public in New Mexico and Arizona.

The Company's gross retail sales include merchandise, retail gasoline sales, restaurant sales and wholesale gasoline sales. Each of the Company's travel center locations retails a variety of unique Southwestern souvenirs and gifts. The Company operates ten full-service travel centers along interstate highways in Arizona and New Mexico. Two of the Company's travel centers are held for sale. Eight of the ten retail operations retail gasoline. Four of the Company's ten locations have full-service restaurants that operate under the Dairy Queen/Brazier or Dairy Queen brand names; one of the Company's ten locations operates a DQ Treat restaurant that sells only ice cream, hot dogs, chili dogs and drinks. The merchandise, gasoline and restaurant retail sales are all a part of the Company's ongoing retail business and have been aggregated.

The Company wholesales gasoline to three independent third party locations. The wholesale gasoline does not meet the operating segment definition criteria of paragraph 10(b) of FAS 131, Disclosures about Segments of an Enterprise and Related Information, as the Company does not review wholesale gasoline operating results for decision making about resource allocation. Therefore, wholesale gasoline sales have been aggregated with the Company's business activities.

The discussion of results of operations, which follows, compares such selected operating data for the interim periods presented.

#### **Results of Operations**

##### **Comparison of the Three Months Ended October 31, 2008 and October 31, 2007**

Gross sales from continuing operations at the Company's travel centers decreased by 14.4% to \$5.917 million for the three months ended October 31, 2008, from \$6.909 million for the three months ended October 31, 2007. Merchandise sales from continuing operations decreased 24.0% to \$1.678 million for the three months ended October 31, 2008, from \$2.207 million for the three months ended October 31, 2007. The decrease is primarily due to decreases in all merchandise categories with the exception of a slight increase in cigarette sales. The overall decrease in general merchandise sales is due to a slowing economy. In Arizona, a major interchange construction project adversely affected merchandise sales at two locations. In addition, increases in gasoline prices continue to have a negative impact on travel and sales. Retail gasoline sales from continuing operations decreased 7.8% to \$2.390 million for the three months ended October 31, 2008, from \$2.591 million for the same period in 2007. The decrease is due to a decrease in gallons sold of approximately 228,000 gallons partially offset by an increase in the average retail price per gallon of approximately \$0.82 per gallon. The

## **BOWLIN TRAVEL CENTERS, INC.**

average gallon of gasoline retailed for approximately \$3.90 for the three months ended October 31, 2008 compared to \$3.08 for the three months ended October 31, 2007. Restaurant sales from continuing operations decreased 20.3% to \$463,000 for the three months ended October 31, 2008, from \$581,000 for the three months ended October 31, 2007. The decrease is primarily due to a change at one of the Company's Dairy Queen locations from a full-service restaurant to a DQ Treat restaurant that sells only soft serve ice cream, hot dogs, chili dogs and drinks. A major interchange construction project in Arizona adversely affected restaurant sales at one location. In addition, convenience store food sales at Picacho Peak Plaza negatively affected restaurant sales at the Picacho Peak DQ and increases in gasoline prices continue to have a negative impact on travel and restaurant sales. Wholesale gasoline sales to independent retailers decreased 9.4% to \$1.386 million for the three months ended October 31, 2008, from \$1.530 million for the three months ended October 31, 2007. The decrease is primarily due to a decrease in gasoline gallons purchased of approximately 134,000 gallons in the current period, partially offset by market price increases.

Cost of goods sold for continuing operations decreased 10.4% to \$4.295 million for the three months ended October 31, 2008, from \$4.792 million for the three months ended October 31, 2007. Merchandise cost of goods from continuing operations decreased 26.0% to \$585,000 for the three months ended October 31, 2008, from \$791,000 for the three months ended October 31, 2007. The decrease relates to the decrease in sales. Retail gasoline cost of goods from continuing operations decreased 5.6% to \$2.178 million for the three months ended October 31, 2008, from \$2.306 million for the three months ended October 31, 2007. The decrease corresponds to increases in overall market prices during the period and is partially offset by a decrease in gallons sold. Restaurant cost of goods from continuing operations decreased 12.3% to \$150,000 for the three months ended October 31, 2008, from \$171,000 for the three months ended October 31, 2007. The decrease is primarily due to one of the Company's Dairy Queen locations changing from a full-service restaurant to a restaurant serving only soft serve ice cream, hot dogs, chili dogs and drinks, partially offset by increases in food prices and gasoline delivery surcharges. Wholesale gasoline cost of goods decreased 9.3% to \$1.382 million for the three months ended October 31, 2008, from \$1.524 million for the three months ended October 31, 2007. The decrease is primarily due to a decrease in gasoline gallons purchased in the current period, partially offset by market price increases. Cost of goods sold as a percentage of net revenues increased to 73.2% for the three months ended October 31, 2008, as compared to 71.9% for the three months ended October 31, 2007. The increase is primarily due to the increase in gasoline cost of goods as a result of overall market price increases during the period.

Gross profit from continuing operations decreased 15.9% to \$1.574 million for the three months ended October 31, 2008, from \$1.871 million for the three months ended October 31, 2007. The decrease is primarily due to the decrease in sales partially offset by a decrease in discounts on sales resulting from the fact that in August 2007 a promotion was offered discounting all merchandise by 25%, while no such promotion was offered in the three months ended October 31, 2008.

General and administrative expenses for continuing operations consist primarily of salaries, bonuses and commissions for travel center personnel, property costs and repairs and maintenance. General and administrative expenses for continuing operations also include executive and administrative compensation and benefits, accounting, legal and investor relations fees. General and administrative expenses for continuing operations decreased 5.1% to \$1.755 million for the three months ended October 31, 2008, from \$1.849 million for the three months ended October 31, 2007. The decrease is due to reductions in (i) personnel related costs, (ii) costs associated with the Company's inventory bar-coding project, (iii) donations, (iv) sign repair and maintenance costs, (v) supplies, (vi) freight costs as a result of volume purchasing, (vii) bank card fees, as a result of the decrease in sales and (viii) accounting costs due to costs in the prior period related to Section 404 of Sarbanes-Oxley internal controls over financial reporting compliance. The above reductions were partially offset by increases in investor relations and legal costs associated with the Company's stock repurchase program (see Note 4 to the Consolidated Financial Statements).

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Depreciation and amortization expense for continuing operations increased 3.4% to \$212,000 for the three months ended October 31, 2008, from \$205,000 for the three months ended October 31, 2007. The increase is associated with certain asset additions for the three months ended October 31, 2008, partially offset by some assets becoming fully depreciated or disposed of.

The above factors contributed to an overall decrease in operating income from continuing operations of 114.8% to a loss of \$393,000 for the three months ended October 31, 2008, compared to a loss from continuing operations of \$183,000 for the three months ended October 31, 2007.

Non-operating income (expense) for continuing operations includes interest income, gains and losses from the sale of assets, rental income and interest expense. Interest income for continuing operations decreased 44.8% to \$32,000 for the three months ended October 31, 2008, compared to interest income of \$58,000 for the three months ended October 31, 2007. The decrease is due to lower interest rates on the Company's marketable securities, the decision not to renew several certificates of deposit as they became due and lower receivable balances in the current period. There was a gain from the sale of assets of \$7,000 for the three months ended October 31, 2008 compared to a gain of \$10,000 for the three months ended October 31, 2007. The gain of \$7,000 for the three months ended October 31, 2008 is due primarily to installment payments received related to notes receivable that include deferred gains of approximately \$26,000 and a gain of approximately \$1,000 on the sale of equipment partially offset by a loss of approximately \$20,000 of billboard signs. The gain of \$10,000 for the three months ended October 31, 2007 is due to installment payments received related to notes receivable that include deferred gains of approximately \$5,000 and a gain on the sale of property, fixtures and equipment located in Lordsburg, New Mexico to Don Juan Restaurant of approximately \$5,000. Rental income was \$40,000 for the three months ended October 31, 2008 compared to \$38,000 for the three months ended October 31, 2007. Interest expense decreased 14.5% to \$71,000 for the three months ended October 31, 2008, from \$83,000 for the three months ended October 31, 2007. The decrease is primarily due to normal scheduled payments.

The loss from continuing operations before income taxes increased 140.6% to a loss of \$385,000 for the three months ended October 31, 2008, compared to a loss before income taxes from continuing operations of \$160,000 for the three months ended October 31, 2007, primarily due to decreases in net revenues as a result of a slowing economy. As a percentage of net revenues, the loss from continuing operations before income taxes was 6.7% for the three months ended October 31, 2008, compared 2.7% for the three months ended October 31, 2007.

The income tax benefit for continuing operations increased 169.8% to an income tax benefit of \$143,000 for the three months ended October 31, 2008, compared to an income tax benefit for continuing operations of \$53,000 for the three months ended October 31, 2007. The increase is a result of the increase in the loss from continuing operations before income taxes.

The foregoing factors contributed to a net loss from continuing operations of \$242,000 for the three months ended October 31, 2008, compared to a net loss from continuing operations of \$107,000 for the three months ended October 31, 2007.

Discontinued operations include the property, fixtures and equipment for the two retail locations that the Company has listed for sale (see Note 2 to the Condensed Financial Statements). There is a loss of \$19,000 for discontinued operations for the three months ended October 31, 2008 compared to a loss of \$68,000 for the three months ended October 31, 2007. There is an income tax benefit of \$7,000 for the three months ended October 31, 2008, compared to an income tax benefit of \$28,000 for the three months ended October 31, 2007. The net loss from discontinued operations for the three months ended October 31, 2008 is \$12,000 compared to a net loss from discontinued operations for the three months ended October 31, 2007 of \$40,000.

## **BOWLIN TRAVEL CENTERS, INC.**

The foregoing factors contributed to a net loss for the three months ended October 31, 2008 of \$254,000 compared to a net loss of \$147,000 for the three months ended October 31, 2007.

### **Comparison of the Nine Months Ended October 31, 2008 and October 31, 2007**

Gross sales from continuing operations at the Company's travel centers decreased by 7.9% to \$20.243 million for the nine months ended October 31, 2008, from \$21.986 million for the nine months ended October 31, 2007. Merchandise sales from continuing operations decreased 18.4% to \$6.023 million for the nine months ended October 31, 2008, from \$7.379 million for the nine months ended October 31, 2007. The decrease is primarily due to decreases in all merchandise categories with the exception of convenience store sales that include food such as chips, nuts, cookies and prepackaged sandwiches along with a variety of bottled and canned drinks and cigarette sales. There is a decrease in general merchandise sales due to a slowing economy. In Arizona, a major interchange construction project adversely affected merchandise sales at two locations. County ordinances that regulated the sales of fireworks at one of the Company's retail locations during the current period caused an abnormal decrease. In addition, increases in gasoline prices continue to have a negative impact on travel and sales. Retail gasoline sales from continuing operations increased 1.5% to \$8.114 million for the nine months ended October 31, 2008, from \$7.998 million for the same period in 2007. The increase is due to an increase in the average retail price per gallon of approximately \$0.80 per gallon, partially offset by a decrease in gallons sold of approximately 512,000 gallons. The average gallon of gasoline retailed for approximately \$3.87 for the nine months ended October 31, 2008 compared to \$3.07 for the nine months ended October 31, 2007. Restaurant sales from continuing operations decreased 16.1% to \$1.610 million for the nine months ended October 31, 2008, from \$1.920 million for the nine months ended October 31, 2007. The decrease is primarily due to a change at one of the Company's Dairy Queen locations from a full-service restaurant to a DQ Treat restaurant that sells only soft serve ice cream, hot dogs and chili dogs and drinks. A major interchange construction project in Arizona adversely affected restaurant sales at one location. In addition, convenience store food sales at Picacho Peak Plaza negatively affect restaurant sales at the Picacho Peak DQ and increases in gasoline prices continue to have a negative impact on travel and restaurant sales. Wholesale gasoline sales to independent retailers decreased 4.1% to \$4.496 million for the nine months ended October 31, 2008, from \$4.689 million for the nine months ended October 31, 2007. The decrease is primarily due to a decrease of approximately 455,000 in gasoline gallons purchased in the current period, partially offset by market price increases.

Cost of goods sold for continuing operations decreased 3.1% to \$14.474 million for the nine months ended October 31, 2008, from \$14.935 million for the nine months ended October 31, 2007. Merchandise cost of goods from continuing operations decreased 16.7% to \$2.161 million for the nine months ended October 31, 2008, from \$2.594 million for the nine months ended October 31, 2007. The decrease relates to the decrease in sales. Retail gasoline cost of goods from continuing operations increased 3.2% to \$7.348 million for the nine months ended October 31, 2008, from \$7.123 million for the nine months ended October 31, 2007. The increase corresponds to increases in overall market prices during the period and is partially offset by a decrease in gallons sold. Restaurant cost of goods from continuing operations decreased 12.0% to \$482,000 for the nine months ended October 31, 2008, from \$548,000 for the nine months ended October 31, 2007. The decrease is primarily due to one of the Company's Dairy Queen locations changing from a full-service restaurant to a restaurant that sells only soft serve ice cream, hot dogs, chili dogs and drinks, partially offset by increases in food prices and gasoline delivery surcharges. Wholesale gasoline cost of goods decreased 4.0% to \$4.483 million for the nine months ended October 31, 2008, from \$4.670 million for the nine months ended October 31, 2007. The decrease is primarily due to a decrease in gasoline gallons purchased in the current period, partially offset by market price increases. Cost of goods sold as a percentage of net revenues increased to 72.0% for the nine months ended October 31, 2008, as compared to 69.1% for the nine months ended October 31, 2007. The increase is primarily due to the increase in gasoline cost of goods as a result of overall market prices increases during the period.

## **BOWLIN TRAVEL CENTERS, INC.**

Gross profit from continuing operations decreased 15.8% to \$5.619 million for the nine months ended October 31, 2008, from \$6.673 million for the nine months ended October 31, 2007. The decrease is primarily due to the decrease in sales partially offset by a decrease in discounts on sales resulting from the fact that in August 2007 a promotion was offered discounting all merchandise by 25%, while no such promotion was offered in the nine months ending October 31, 2008.

General and administrative expenses for continuing operations consist primarily of salaries, bonuses and commissions for travel center personnel, property costs and repairs and maintenance. General and administrative expenses for continuing operations also include executive and administrative compensation and benefits, accounting, legal and investor relations fees. General and administrative expenses for continuing operations decreased 7.3% to \$5.335 million for the nine months ended October 31, 2008, from \$5.756 million for the nine months ended October 31, 2007. The decrease is due to reductions in (i) personnel related costs, (ii) costs associated with the Company's inventory bar-coding project, (iii) freight costs as a result of volume purchasing, (iv) bank card fees as a result of the decrease in sales and (v) accounting costs in the prior period related to Section 404 of Sarbanes-Oxley internal controls over financial reporting compliance. The above cost reductions were partially offset by increases in investor relations and legal costs associated with the Company's stock repurchase program (see Note 4 to the Consolidated Financial Statements).

Depreciation and amortization expense for continuing operations increased 6.6% to \$633,000 for the nine months ended October 31, 2008, from \$594,000 for the nine months ended October 31, 2007. The increase is associated with certain asset additions for the nine months ended October 31, 2008 offset by some assets becoming fully depreciated or disposed of.

The above factors contributed to an overall decrease in operating income from continuing operations of 208.0% to a loss of \$349,000 for the nine months ended October 31, 2008, compared to operating income from continuing operations of \$323,000 for the nine months ended October 31, 2007.

Non-operating income (expense) for continuing operations includes interest income, gains and losses from the sale of assets, rental income and interest expense. Interest income for continuing operations decreased 21.8% to \$104,000 for the nine months ended October 31, 2008, compared to interest income of \$133,000 for the nine months ended October 31, 2007. The decrease is due to lower interest rates on the Company's marketable securities, the decision not to renew several certificates of deposit as they became due and lower receivable balances in the current period. There was a gain from the sale of assets of \$17,000 for the nine months ended October 31, 2008 compared to a gain of \$37,000 for the nine months ended October 31, 2007. The gain of \$17,000 for the nine months ended October 31, 2008 is due primarily to installment payments received related to notes receivable that include deferred gains of approximately \$37,000 offset by a loss of approximately \$20,000 of billboard signs. The gain of \$37,000 for the nine months ended October 31, 2007 is due to installment payments received related to notes receivable that include deferred gains of approximately \$37,000, an earnest deposit of \$24,000 that was forfeited due to a purchase agreement closing date expiring, a gain of approximately \$5,000 from the sale of property, fixtures and equipment located in Lordsburg, New Mexico to Don Juan Restaurant, partially offset by a write off of approximately \$28,000 of impaired assets, and a loss of approximately \$1,000 on the sale of equipment and two vehicles. Rental income was \$117,000 for the nine months ended October 31, 2008 compared to \$123,000 for the nine months ended October 31, 2007. Interest expense decreased 30.2% to \$208,000 for the nine months ended October 31, 2008, from \$298,000 for the nine months ended October 31, 2007. The decrease is primarily due to the retirement of loan fees of approximately \$62,000 associated with the Company's exchange of debt commitment with its primary lender in the prior period.

Income from continuing operations before income taxes decreased 199.7% to a loss of \$319,000 for the nine months ended October 31, 2008, compared to income before income taxes from continuing operations of \$320,000 for the nine months ended October 31, 2007, primarily due to decreases in net revenues as a result of a slowing economy. As a percentage of net revenues, the loss from continuing operations before income taxes

## **BOWLIN TRAVEL CENTERS, INC.**

was 1.6% for the nine months ended October 31, 2008, compared to income from continuing operations before income taxes of 1.5% for the nine months ended October 31, 2007.

Income tax expense for continuing operations decreased 184.2% with an income tax benefit of \$112,000 for the nine months ended October 31, 2008, compared to income tax expense for continuing operations of \$133,000 for the nine months ended October 31, 2007. The decrease is a result of the loss in income from continuing operations before income taxes compared to income from continuing operations before income taxes in the prior period.

The foregoing factors contributed to a net loss from continuing operations of \$207,000 for the nine months ended October 31, 2008, compared to net income from continuing operations of \$187,000 for the nine months ended October 31, 2007.

Discontinued operations include the property, fixtures and equipment for the two retail locations that the Company has listed for sale (see Note 2 to the Condensed Financial Statements). There is a loss of \$40,000 for discontinued operations for the nine months ended October 31, 2008 compared to a loss of \$270,000 for the nine months ended October 31, 2007. There is an income tax benefit of \$14,000 for the nine months ended October 31, 2008, compared to an income tax benefit of \$107,000 for the nine months ended October 31, 2007. The net loss from discontinued operations for the nine months ended October 31, 2008 is \$26,000 compared to a net loss from discontinued operations for the nine months ended October 31, 2007 of \$163,000.

Income from the disposal of discontinued operations, net of income tax expense of \$549,000 for the nine months ended October 31, 2007, is due to the sale of property, fixtures and equipment located 17 miles west of Albuquerque, New Mexico at the Rio Puerco exit. The gain on the sale of the property, fixtures and equipment of approximately \$967,000 was reduced by the retirement of loan fees of approximately \$69,000 that were related to this retail location and the exchange of debt associated with the Company's commitment with its primary lender, and is net of income tax expense of approximately \$349,000.

The foregoing factors contributed to a net loss for the nine months ended October 31, 2008 of \$233,000 compared to net income of \$573,000 for the nine months ended October 31, 2007.

### **Liquidity and Capital Resources**

At October 31, 2008, the Company had working capital of \$6.363 million compared to working capital of \$6.705 million at January 31, 2008 ("working capital" is the excess of total current assets over total current liabilities). At October 31, 2008, the Company had a current ratio of 5.8:1; compared to a current ratio of 5.4:1 as of January 31, 2008 ("current ratio" is the ratio of current assets to current liabilities). The decrease in working capital is primarily due to a decrease in marketable securities of \$500,000, a decrease in inventory of \$119,000, a decrease in accounts receivable of \$31,000, an increase in the current portion of long-term debt of \$11,000 and an increase in deferred revenue of \$10,000 partially offset by a decrease in accrued liabilities of \$217,000, an increase in income taxes of \$64,000, a decrease in accounts payable of \$32,000 and an increase in prepaid expenses of \$20,000. The decrease in marketable securities, which consist of twelve-month certificates of deposit, is primarily due to non-renewal of several certificates of deposit as they became due, the funds from which will be used for capital expenditures and for operations as sales continue to decline. The decrease in inventory is primarily due to inventory decreases at the Company's retail locations partially offset by an increase in gasoline inventory as a result of higher market prices at the end of the period as well as an increase in inventory at the Company's central warehouse as the Company prepares for holiday sales. The decrease in accounts receivable is primarily due to payments received resulting in lower receivable balances. The increase in the current portion of long-term debt is primarily due to greater principal reduction as a result of a lower interest rate. The increase in deferred revenue is primarily due to non-renewable outdoor leases in the prior period. The decrease in accrued liabilities is primarily due to decreases in accrued salaries and wages and payment of payroll taxes related to discretionary bonuses that were accrued through January 31, 2008 and paid

## **BOWLIN TRAVEL CENTERS, INC.**

during the current fiscal year partially offset by an increase in accrued property taxes that will be paid in December 2008 as well as an increase in accrued vacation payable. The increase in income taxes asset is primarily due to a result of deferred tax assets and liabilities recognized for future tax consequences attributable to differences between financial statement carrying amounts of existing current assets and liabilities and their respective tax bases. The decrease in accounts payable is primarily due to timing of electronic fund transfers related to the Company's wholesale gasoline sales. The increase in prepaid expenses is primarily due to an increase in prepaid insurance as June 1, 2008 was the renewal date partially offset by prepaid rent.

The Company's travel center operations are subject to seasonal fluctuations. The first quarter of the fiscal year is typically the weakest. The second quarter is normally the Company's strongest due to the summer being the Company's peak season. The third quarter of the fiscal year is not as strong due to the end of summer. Throughout the Company's fiscal year, revenues and earnings may experience substantial fluctuations from quarter to quarter. These fluctuations could result in periods of increased or decreased cash flow as well as increased or decreased net income.

Net cash provided by operating activities from continuing operations was \$162,000 for the nine months ended October 31, 2008, compared to net cash provided by operating activities from continuing operations of \$214,000 for the nine months ended October 31, 2007. Net cash provided by operating activities for the nine months ended October 31, 2008 is primarily attributable to depreciation and amortization expense of \$645,000, offset by a net loss of \$233,000, changes in net operating assets and liabilities of \$174,000, a decrease in net deferred income taxes of \$62,000 and the gain on sale of assets of \$17,000. Net cash provided by operating activities for the nine months ended October 31, 2007 is primarily attributable to net income of \$573,000 adjusted for depreciation and amortization expense of \$655,000, and the retirement of debt of issuance costs of \$132,000 partially offset by the gain on sale of assets of \$1.004 million and a decrease in deferred income taxes of \$108,000.

Net cash used in investing activities for the nine months ended October 31, 2008 was \$65,000, primarily consisting of purchases of property and equipment of \$653,000 partially offset by a decrease in marketable securities of \$500,000 and payments from notes receivable, net, of \$82,000. Net cash used in investing activities for the nine months ended October 31, 2007 was \$117,000, primarily consisting of an increase in marketable securities of \$1.727 million which includes the purchase of \$1.500 million of marketable securities from the proceeds of the disposal of one discontinued operation and \$874,000 used for purchases of property and equipment partially offset by the proceeds from the sale of property and equipment and the sale of property, fixtures and equipment of \$2.448 million and payments from notes receivable, net, of \$78,000.

Net cash used by financing activities for the nine months ended October 31, 2008 was \$90,000, which consisted of payments on long-term debt. For the nine months ended October 31, 2007, net cash used in financing activities was \$204,000, which consisted of payments on long-term debt.

The Company's business and cash flow from operations rely on revenues generated from the sale of gasoline. During the nine months ended October 31, 2008, retail gasoline sales from continuing operations accounted for approximately 40.4% of the Company's net sales.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

Not applicable.

### **Item 4T. Controls and Procedures.**

The Company's management evaluated, with the participation of the Chief Executive Officer and Chief Financial Officer, the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have

## **BOWLIN TRAVEL CENTERS, INC.**

concluded that there was a material weakness in the control environment related to general merchandise inventory at the Company's ten retail locations and that the related disclosure controls and procedures are ineffective. Historically, the Company has used yearly estimates based on standard markups within defined categories to record cost of goods sold. The Company has historically counted physical inventory at each location at the end of each fiscal year. Interim inventories were taken during the third quarter of fiscal year 2008 and again at the end of fiscal year 2008. There were no material inventory adjustments for the fiscal year ended January 31, 2008 and the Company does not anticipate material adjustments going forward. Throughout fiscal year 2008 the Company scanned and reconciled jewelry inventories at the retail locations on a monthly basis. At the end of fiscal year 2008, the Company was able to use the value of the scanned jewelry inventories. During fiscal year 2008, the Company began scanning general merchandise and the valuation process for scanned general merchandise is still being tested. During the current fiscal year, the Company has scanned several merchandise inventories at selected retail locations and will continue to scan and test throughout the year. The Company anticipates completing the testing phase of scanning general merchandise by the end of fiscal year 2009.

The general merchandise inventory at the Company's ten retail locations was approximately \$1.143 million or 34.7% of the Company's total inventory. Inventory at the Company's warehouse was maintained on a perpetual inventory system where purchases and issues are recorded directly into the inventory account as they occur. Therefore, the balance in the warehouse inventory account represents the ending inventory amount and management has concluded there is no weakness related to the warehouse inventory. The warehouse inventory balance at the end of the Company's third quarter was approximately \$1.260 million or 38.3% of the Company's total inventory. Other key inventories including gasoline, Dairy Queen food and jewelry were taken monthly and the physical count was reconciled to the Company's records; therefore management has concluded there are no weaknesses related to these inventories. Gasoline, Dairy Queen, and jewelry inventories were approximately \$782,000 or 23.8% of the Company's total inventory.

The Company continues to dedicate resources to correct this issue and to implement its plan to use an electronic point of sale merchandise tracking system that will provide the Company with the ability to conduct more periodic physical inventories as well as more accurately monitor cost of goods sold. Other than the above described changes made in an attempt to resolve the above issue with respect to general merchandise inventory, there were no changes in the Company's internal control over financial reporting during the third quarter of fiscal year 2009 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

### **PART II. OTHER INFORMATION**

- Item 1. Legal Proceedings. None.
- Item 1A. Risk Factors. Not applicable.

## BOWLIN TRAVEL CENTERS, INC.

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

Period	(a) Total Number of Shares (or Units) Purchased	(b) Average Price Paid per Share (or Unit)	(c) Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs (1)	(d) Maximum Number (or Approximate Dollar Value) or Shares (or Units) that May Yet be Purchased Under the Plans or Programs
8/1/2008 – 8/31/2008	—	\$ —	—	1,000,000
9/1/2008 – 9/30/2008	—	\$ —	—	1,000,000
10/1/2008 – 10/31/2008	1,000	\$ 1.60	1,000	999,000
Total	1,000	\$ 1.60	1,000	1,000,000

- (1) On September 26, 2008, the Board of Directors of the Company authorized the repurchase of up to one million shares of the Company's common stock in the open market or through privately negotiated transactions. This repurchase plan was announced in press release filed as an exhibit to the Company's 8-K filed on September 29, 2008. Unless the plan is extended by the Board of Directors, the plan will expire on the earlier to occur of the repurchase of the maximum number of shares authorized under the plan or September 29, 2009, or at such earlier time as the Board of Directors determines.

Item 3. Defaults Upon Senior Securities. None

Item 4. Submission of Matters to a Vote of Security Holders. None.

Item 5. Other Information. None.

Item 6. Exhibits

Exhibit 31.1 – Certification pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended.

Exhibit 31.2 – Certification pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act of 1934, as amended.

Exhibit 32.1 – Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.2 – Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

**BOWLIN TRAVEL CENTERS, INC.**

Signatures

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

Dated: December 10, 2008

/s/ Michael L. Bowlin  
Michael L. Bowlin, Chairman of the Board,  
President and Chief Executive Officer

/s/ Nina J. Pratz  
Nina J. Pratz, Chief Financial Officer and Senior  
Vice President

Exhibit 31.1

CERTIFICATION PURSUANT TO  
RULE 13a-14(a)/15d-14(a)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Michael L. Bowlin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bowlin Travel Centers, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: December 10, 2008

/s/ Michael L. Bowlin

Michael L. Bowlin, Chairman of the Board, President  
and Chief Executive Officer, Bowlin Travel Centers, Inc.

Exhibit 31.2

CERTIFICATION PURSUANT TO  
RULE 13a-14(a)/15d-14(a)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Nina J. Pratz, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bowlin Travel Centers, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: December 10, 2008

/s/ Nina J. Pratz

Nina J. Pratz, Chief Financial Officer and  
Senior Vice-President, Bowlin Travel Centers, Inc.

Exhibit 32.1

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Bowlin Travel Centers Inc., a Nevada corporation (the "Company") on Form 10-Q for the period ended October 31, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael L. Bowlin, Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. section 1350, as adopted pursuant of Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 10, 2008

/s/ Michael L. Bowlin  
Michael L. Bowlin, Chairman of the Board, President  
and Chief Executive Officer, Bowlin Travel Centers, Inc.

Exhibit 32.2

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Bowlin Travel Centers Inc., a Nevada corporation (the "Company") on Form 10-Q for the period ended October 31, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nina J. Pratz, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. section 1350, as adopted pursuant of Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 10, 2008

/s/ Nina J. Pratz  
Nina J. Pratz, Chief Financial Officer and  
Senior Vice President, Bowlin Travel Centers, Inc.