

Pacific Ethanol, Inc.
Form SC 13G/A
February 14, 2008

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

SCHEDULE 13G

**Under the Securities Exchange Act of 1934
(Amendment No. 3)***

Pacific Ethanol, Inc.
(Name of Issuer)

Common Stock, \$.001 par value per share
(Title of Class of Securities)

69423U 10 7
(CUSIP Number)

December 31, 2007
(Date of Event Which Requires Filing of this
Statement)

£	Rule 13d-1(b)
S	Rule 13d-1(c)
£	Rule 13d-1(d)

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

1 Name of Reporting Person
I.R.S. Identification No. of Above Persons (Entities Only).

Crestview Capital Master, LLC

2 Check the Appropriate Box if Member of a Group

(a)

(b)

3 SEC Use Only

4 Citizenship or Place of Organization

Delaware

5 Sole Voting Power

-0-

6 Shared Voting Power
Number of Shares

7 Sole Dispositive Power
Beneficially Owned by

9,000

Each Reporting Person With:

-0-

8 Shared Dispositive Power

9,000

9 Aggregate Amount Beneficially Owned by Each Reporting Person

9,000

10 Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11 Percent of Class Represented by Amount in Row (9)

less than 0.1%⁽¹⁾

12 Type of Reporting Person

PN

(1) Based on 40,604,714 shares outstanding as of November 8, 2007, based on the Form 10-Q filed by the Issuer on November 9, 2007.

1 Name of Reporting Person
I.R.S. Identification No. of Above Persons (Entities Only).

Crestview Capital Partners, LLC

2 Check the Appropriate Box if Member of a Group

(a)
(b)

3 SEC Use Only

4 Citizenship or Place of Organization

Illinois

5 Sole Voting Power

-0-

6 Shared Voting Power
Number of Shares

7 Sole Dispositive Power
Beneficially Owned by

9,000

Each Reporting Person With:

-0-

8 Shared Dispositive Power

9,000

9 Aggregate Amount Beneficially Owned by Each Reporting Person

9,000

10 Check Box if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11 Percent of Class Represented by Amount in Row (9)

less than 0.1%⁽¹⁾

12 Type of Reporting Person

OO

(1) Based on 40,604,714 shares outstanding as of November 8, 2007, based on the Form 10-Q filed by the Issuer on November 9, 2007.

This Amendment No. 3 (“Amendment No. 3”) is being filed jointly by Crestview Capital Master, LLC and Crestview Capital Partners, LLC (each, a “Reporting Person” and, collectively, the “Reporting Persons”) and amends and restates the Schedule 13G filed by Crestview Capital Master, LLC on November 30, 2005, as amended by Amendments No. 1 and 2 thereto filed by Crestview Capital Master, LLC on February 21, 2006.

Item 1(a): Name of Issuer.

Pacific Ethanol, Inc.

Item 1(b): Address of Issuer’s Principal Executive Offices.

**400 Capitol Mall, Suite 2060
Sacramento, California 95814**

Item 2(a): Name of Person Filing.

**Crestview Capital Master, LLC (“Crestview”)
Crestview Capital Partners, LLC (“Crestview Partners”)**

Item 2(b): Address of Principal Business Office or, if none, Residence.

**c/o Crestview Capital Funds
95 Revere Drive, Suite A
Northbrook, Illinois 60062**

Item 2(c): Citizenship.

Crestview is a Delaware limited liability company.

Crestview Partners is an Illinois limited liability company.

Item 2(d): Title of Class of Securities.

Common Stock, \$0.001 par value per share (“Common Stock”)

Item 2(e): CUSIP Number.

69423U 10 7

Item 3: If this statement is filed pursuant to Rule 13d-1(b) or 13d-2(b) or (c), check whether the person filing is a:

Not Applicable

Item 4: Ownership.

(a) Amount Beneficially Owned:

Crestview and Crestview Partners each hold 9,000 shares of Common Stock. Crestview Partners is the sole manager of Crestview, and as such has the power to direct the vote and to direct the disposition of investments owned by Crestview, including any Common Stock, and thus may also be deemed to beneficially own any Common Stock owned by Crestview. Currently, Stewart Flink, Robert Hoyt and Daniel Warsh, each of whom are United States citizens, are the managers of Crestview Partners, and as such may be deemed to share the power to vote and to dispose of investments beneficially owned by Crestview Partners, including any Common Stock. As a result, each of Messrs. Flink, Hoyt and Warsh may also be deemed to beneficially own any shares of Common Stock held by Crestview and Crestview Partners; however each disclaims beneficial ownership of any such shares of Common Stock.

(b) Percent of Class:

See Item 11 of each cover page.

(c) Number of shares as to which the person has:

(i) Sole power to vote or to direct the vote:

See Item 5 of each cover page.

(ii) Shared power to vote or to direct the vote:

See Item 6 of each cover page.

(iii) Sole power to dispose or to direct the disposition of:

See Item 7 of each cover page.

(iv) Shared power to dispose or to direct the disposition of:

See Item 8 of each cover page.

Item 5: Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than 5 percent of the class of securities, check the following X.

Item 6: Ownership of More than Five Percent on Behalf of Another Person.

Not applicable

Item 7: Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

Not Applicable

Item 8: Identification and Classification of Members of the Group.

This Schedule is filed as a joint statement pursuant to Rule 13d-1(k) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act") by each of the Reporting Persons. While the Reporting Persons may be deemed to be a "group" for purposes of Section 13(d)(3) of the Exchange Act, each of the Reporting Persons hereby disclaims the existence and membership in a "group" and disclaims beneficial ownership of shares of Common Stock beneficially owned by all other Reporting Persons. Each of Messrs. Flink, Hoyt, and Warsh may be deemed to have beneficial ownership of the shares of Common Stock reported hereby, although each disclaims such beneficial ownership.

Item 9: Notice of Dissolution of Group.

Not Applicable

Item 10: Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 14, 2008

Crestview Capital Master, LLC

By: Crestview Capital Partners, LLC,
its Sole Manager

By: /s/ Daniel Warsh
Manager

Crestview Capital Partners, LLC

By: /s/ Daniel Warsh
Manager

EXHIBIT 1
JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended, the undersigned agree to the joint filing on behalf of each of them of a Statement on Schedule 13G (including any and all amendments thereto) with respect to the Common Stock, \$0.001 par value per share, of Pacific Ethanol, Inc., and further agree that this Joint Filing Agreement shall be included as an Exhibit to such joint filings.

The undersigned further agree that each party hereto is responsible for the timely filing of such Statement on Schedule 13G and any amendments thereto, and for the accuracy and completeness of the information concerning such party contained therein; provided, however, that no party is responsible for the accuracy or completeness of the information concerning any other party, unless such party knows or has reason to believe that such information is inaccurate.

This Joint Filing Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of February 14, 2008.

Crestview Capital Master, LLC

By: Crestview Capital Partners, LLC,
its Sole Manager

By: /s/ Daniel Warsh
Manager

Crestview Capital Partners, LLC

By: /s/ Daniel Warsh
Manager
