

GOODRICH PETROLEUM CORP
Form 10-Q
November 08, 2018

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 September 30, 2018

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

Commission file number: 001-12719

GOODRICH PETROLEUM CORPORATION
(Exact name of registrant as specified in its charter)

Delaware 76-0466193
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)
801 Louisiana, Suite 700
Houston, Texas 77002
(Address of principal executive offices) (Zip
Code)
(Registrant's telephone number, including area
code): (713) 780-9494

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 has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

(Do not check if a smaller reporting company) 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.

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

Indicate by check mark whether the Registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

The Registrant had 11,895,886 shares of common stock outstanding on November 5, 2018.

GOODRICH PETROLEUM CORPORATION AND SUBSIDIARY
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PART I – FINANCIAL INFORMATION

Item 1—Financial Statements

GOODRICH PETROLEUM CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS

(In thousands, except share amounts)

(Unaudited)

	September 30, 2018	December 31, 2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$1,931	\$25,992
Accounts receivable, trade and other, net of allowance	1,112	1,371
Accrued oil and natural gas revenue	9,255	4,958
Fair value of oil and natural gas derivatives	982	2,034
Inventory	824	2,521
Prepaid expenses and other	588	1,614
Total current assets	14,692	38,490
PROPERTY AND EQUIPMENT:		
Unevaluated properties	122	5,984
Oil and natural gas properties (full cost method)	189,514	120,333
Furniture, fixtures and equipment	1,414	1,039
	191,050	127,356
Less: Accumulated depletion, depreciation and amortization	(32,640)	(15,899)
Net property and equipment	158,410	111,457
Fair value of oil and natural gas derivatives	208	566
Deferred tax asset	731	937
Other	623	691
TOTAL ASSETS	\$174,664	\$152,141
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$30,249	\$17,204
Accrued liabilities	19,623	18,075
Fair value of oil and natural gas derivatives	2,324	1,002
Total current liabilities	52,196	36,281
Long term debt, net	61,861	55,725
Accrued abandonment cost	3,598	3,367
Fair value of oil and natural gas derivatives	441	517
Total liabilities	118,096	95,890
Commitments and contingencies (See Note 9)		
STOCKHOLDERS' EQUITY:		
Preferred stock: 10,000,000 shares \$1.00 par value authorized, and none issued and outstanding —		—
Common stock: \$0.01 par value, 75,000,000 shares authorized, and 11,838,386 shares issued and outstanding at September 30, 2018 and \$0.01 par value, 75,000,000 shares authorized, and 10,770,962 shares issued and outstanding at December 31, 2017	119	108
Treasury stock (75,891 and zero shares, respectively)	(838)	—
Additional paid in capital	75,909	68,446
Accumulated deficit	(18,622)	(12,303)
Total stockholders' equity	56,568	56,251

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$174,664	\$152,141
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See accompanying notes to consolidated financial statements.

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GOODRICH PETROLEUM CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

(Unaudited)

	Three Months Ended September 30, 2018	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2017
REVENUES:				
Oil and natural gas revenues	\$ 24,331	\$ 12,964	\$ 53,958	\$ 34,490
Other	89	255	131	607
	24,420	13,219	54,089	35,097
OPERATING EXPENSES:				
Lease operating expense	2,588	2,184	7,619	9,445
Production and other taxes	959	(15) 2,268	1,068
Transportation and processing	3,344	1,624	6,742	4,668
Depreciation, depletion and amortization	7,922	3,516	16,934	8,893
General and administrative	4,644	3,749	14,643	11,984
Other	(60) (43) 105	(43)
	19,397	11,015	48,311	