

PEDEVCO CORP
Form 10-Q
August 10, 2017

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: June 30, 2017

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: 001-35922

PEDEVCO CORP.
(Exact name of registrant as specified in its charter)

Texas 22-3755993
(State or other jurisdiction of incorporation or organization) (IRS Employer Identification No.)

4125 Blackhawk Plaza Circle, Suite 201
Danville, California 94506
(Address of Principal Executive Offices)

(855) 733-2685
(Registrant's Telephone Number, Including Area Code)

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 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 (§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 No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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 (Do not check if a smaller reporting company) Smaller reporting company

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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

At August 8, 2017, there were 6,084,729 shares of the Registrant's common stock outstanding.

PEDEVCO CORP.

For the Three and Six Months Ended June 30, 2017

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PEDEVCO CORP.

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(amounts in thousands, except share and per share data)

	June 30, 2017	December 31, 2016
Assets		
Current assets:		
Cash	\$891	\$659
Accounts receivable	-	25
Accounts receivable – oil and gas	416	439
Prepaid expenses and other current assets	110	173
Total current assets	1,417	1,296
Oil and gas properties:		
Oil and gas properties, subject to amortization, net	55,874	57,395
Total oil and gas properties, net	55,874	57,395
Other assets		
Investments – cost method	4	4
Total assets	\$57,380	\$58,780
Liabilities and Shareholders' Deficit		
Current liabilities:		
Accounts payable	\$80	\$103
Accrued expenses	1,906	1,802
Revenue payable	524	517
Convertible notes payable – Bridge Notes, net of premiums of \$113,000 and \$113,000, respectively	588	588
Notes payable – Secured Promissory Notes, net of debt discount of \$-0- and \$50,000, respectively	-	300
Total current liabilities	3,098	3,310
Long-term liabilities:		
Accrued expenses	1,022	589
Accrued expenses – related party	1,201	677
Notes payable – Secured Promissory Notes, net of debt discount of \$3,625,000 and \$4,600,000, respectively	30,868	27,497

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Notes payable – Secured Promissory Notes – related party, net of debt discount of \$1,720,000 and \$2,338,000, respectively	14,615	13,319
Notes payable – Subordinated – related party	10,803	10,173
Notes payable – other	4,925	4,925
Asset retirement obligations	278	246
Total liabilities	66,810	60,736
Commitments and contingencies		
Shareholders' deficit:		
Series A convertible preferred stock, \$0.001 par value, 100,000,000 shares authorized, 66,625 and 66,625 shares issued and outstanding, respectively	-	-
Common stock, \$0.001 par value, 200,000,000 shares authorized; 6,044,729 and 5,493,112 shares issued and outstanding, respectively	6	5
Additional paid-in capital	100,781	99,770
Accumulated deficit	(110,217)	(101,731)
Total shareholders' deficit	(9,430)	(1,956)
Total liabilities and shareholders' deficit	\$57,380	\$58,780

See accompanying notes to unaudited consolidated financial statements.

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PEDEVCO CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(amounts in thousands, except share and per share data)

	For the Three	For the Six
	Months	Months
	Ended	Ended June
	June 30,	30,

Revenue:	2017	2016	2017	2016
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Oil and gas sales	\$812
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