

VAALCO ENERGY INC /DE/

Form 10-Q

May 10, 2016

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2016

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 1-32167

VAALCO Energy, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of Incorporation or organization)	76 0274813 (I.R.S. Employer Identification No.)
9800 Richmond Avenue Suite 700 Houston, Texas (Address of principal executive offices)	77042 (Zip code)

(713) 623-0801

(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 Exchange Act during the past 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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T 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 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

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2).

Yes No

As of April 29, 2016, there were outstanding 58,495,361 shares of common stock, \$0.10 par value per share, of the registrant.

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VAALCO ENERGY, INC. AND SUBSIDIARIES

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Unless the context otherwise indicates, references to "VAALCO," "the Company", "we," "our," or "us" in this Form 10-Q are references to VAALCO Energy, Inc., including its wholly-owned subsidiaries.

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PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

VAALCO ENERGY, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(in thousands, except number of shares and par value amounts)

	March 31, 2016	December 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 24,156	\$ 25,357
Restricted cash	796	1,048
Receivables:		
Trade	5,423	5,353
Accounts with partners, net of allowance of \$7.6 million at December 31, 2015	23,139	27,856
Other	133	42
Crude oil inventory	920	639
Materials and supplies	174	194
Prepayments and other	3,578	3,253
Total current assets	58,319	63,742
Property and equipment - successful efforts method:		
Wells, platforms and other production facilities	412,593	412,593
Undeveloped acreage	10,000	10,000
Equipment and other	10,726	10,948
	433,319	433,541
Accumulated depreciation, depletion and amortization	(402,157)	(400,168)
Net property and equipment	31,162	33,373
Other noncurrent assets:		
Restricted cash	15,830	15,830
Value added tax receivable, net of allowance of \$4.7 million and \$4.2 million at March 31, 2016 and December 31, 2015	4,690	4,221
Deferred finance charge	1,552	1,655
Abandonment funding	5,137	5,137
Total assets	\$ 116,690	\$ 123,958
LIABILITIES AND EQUITY		

Current liabilities:

Accounts payable	\$ 43,671	\$ 46,848
Foreign taxes payable	2,967	