

TENGASCO INC
Form 10-Q
August 13, 2013

U.S. Securities and Exchange Commission
Washington, D.C. 20549

Form 10-Q

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

For the quarterly period ended June 30, 2013

Commission File No. 1-15555

Tengasco, Inc.

(Exact name of registrant as specified in its charter)

Delaware

87-0267438

State or other jurisdiction of Incorporation or organization (IRS Employer Identification No.)

11121 Kingston Pike, Suite E, Knoxville, TN 37934
(Address of principal executive offices)

(865-675-1554)

(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 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 checkmark 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 (§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, 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 ☒

(Do not check if a smaller reporting company)

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

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 60,842,413 common shares at August 5, 2013.

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Tengasco, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(unaudited)
(in thousands, except share data)

	June 30, 2013	December 31, 2012
Assets		
Current		
Cash and cash equivalents	\$ 152	\$ 31
Accounts receivable	1,285	1,608
Accounts receivable – related party, less allowance for doubtful accounts of \$159 and \$257	212	68
Inventory	1,379	1,402
Other current assets	203	194
Total current assets	3,231	3,303
Restricted cash	507	507
Loan fees, net	51	57
Oil and gas properties, net (full cost accounting method)	23,779	24,700
Methane project, net	4,386	4,445
Other property and equipment, net	214	321
Assets held for sale	1,400	1,400
Deferred tax asset-noncurrent	8,335	9,434
Total assets	\$41,903	\$ 44,167

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

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Tengasco, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(unaudited)
(in thousands, except share data)

	June 30, 2013	December 31, 2012
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable – trade	\$ 360	\$ 648
Accounts payable – other	371	325
Accrued and other current liabilities	571	615
Current maturities of long-term debt	84	100
Total current liabilities	1,386	1,688
Asset retirement obligation	2,160	2,099
Long term debt, less current maturities	6,555	10,246
Total liabilities	10,101	14,033
Commitments and contingencies (Note 13)		
Stockholders' equity		
Common stock, \$.001 par value, authorized 100,000,000 shares, 60,842,413 and 60,842,413 shares issued and outstanding	61	61
Additional paid-in capital	55,657	55,699
Accumulated deficit	(23,916)	(25,626)
Total stockholders' equity	31,802	30,134
Total liabilities and stockholders' equity	\$41,903	\$ 44,167

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

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Tengasco, Inc. and Subsidiaries

Condensed Consolidated Statements of Operations

(unaudited)

(in thousands, except share and per share data)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2013	2012	2013	2012
Revenues	\$3,871	\$5,222	\$8,185	\$10,184
Cost and expenses				
Production costs and taxes	1,191	1,934	2,561	3,602
Depreciation, depletion, and amortization	742	860	1,537	1,569
General and administrative	466	600	979	1,359
Total cost and expenses	2,399	3,394	5,077	6,530
Net income from operations	1,472	1,828	3,108	3,654
Other income (expense)				
Interest expense	(109)	(206)	(240)	(394)
Gain (loss) on derivatives	-	15	-	(105)
Gain on sale of assets	63	33	63	67
Total other income (expenses)	(46)	(158)	(177)	