

GULFPORT ENERGY CORP
Form 10-Q
November 07, 2014
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2014 OR
 TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission File Number 000-19514

Gulfport Energy Corporation
(Exact Name of Registrant As Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)
14313 North May Avenue, Suite 100
Oklahoma City, Oklahoma
(Address of Principal Executive Offices)
(405) 848-8807
(Registrant Telephone Number, Including Area Code)

73-1521290
(IRS Employer
Identification Number)
73134
(Zip Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	The NASDAQ Stock Market LLC

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 (Section 232.405 of this chapter) during the preceding 12 months (or 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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):
Large Accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

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

As of November 1, 2014, 85,531,504 shares of the registrant's common stock were outstanding.

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GULFPORT ENERGY CORPORATION
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30, 2014	December 31, 2013
	(In thousands, except share data)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 152,883	\$ 458,956
Accounts receivable—oil and gas	139,591	58,824
Accounts receivable—related parties	153	2,617
Prepaid expenses and other current assets	3,578	2,581
Deferred tax asset	7,819	6,927
Short-term derivative instruments	5,753	324
Note receivable - related party	875	875
Total current assets	310,652	531,104
Property and equipment:		
Oil and natural gas properties, full-cost accounting, \$1,452,730 and \$950,590 excluded from amortization in 2014 and 2013, respectively	3,586,016	2,477,178
Other property and equipment	16,880	11,131
Accumulated depletion, depreciation, amortization and impairment	(969,962) (784,717
Property and equipment, net	2,632,934	1,703,592
Other assets:		
Equity investments (\$70,443 and \$178,708 attributable to fair value option in 2014 and 2013, respectively)	373,215	440,068
Derivative instruments	1,156	521
Other assets	23,430	17,851
Total other assets	397,801	458,440
Total assets	\$3,341,387	\$2,693,136
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 358,082	\$ 190,707
Asset retirement obligation—current	75	795
Short-term derivative instruments	3,891	12,280
Current maturities of long-term debt	166	159
Total current liabilities	362,214	203,941
Long-term derivative instrument	2,771	11,366
Asset retirement obligation—long-term	16,318	14,288
Deferred tax liability	153,733	114,275
Long-term debt, net of current maturities	616,881	299,028
Total liabilities	1,151,917	642,898
Commitments and contingencies (Note 8)		
Preferred stock, \$.01 par value; 5,000,000 authorized, 30,000 authorized as redeemable 12% cumulative preferred stock, Series A; 0 issued and outstanding	—	—
Stockholders' equity:		
Common stock - \$.01 par value, 200,000,000 authorized, 85,531,504 issued and outstanding in 2014 and 85,177,532 in 2013	854	851

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Paid-in capital	1,824,955	1,813,058
Accumulated other comprehensive loss	(19,779) (9,781
Retained earnings	383,440	246,110
Total stockholders' equity	2,189,470	2,050,238
Total liabilities and stockholders' equity	\$3,341,387	\$2,693,136
See accompanying notes to consolidated financial statements.		

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GULFPORT ENERGY CORPORATION
 CONSOLIDATED STATEMENTS OF OPERATIONS
 (Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2014	2013	2014	2013
	(In thousands, except share data)			
Revenues:				
Oil and condensate sales	\$58,196	\$52,972	\$199,651	\$167,051
Gas sales	85,168	10,755	139,039	19,014
Natural gas liquid sales	27,021	5,100	64,054	7,828
Other income	419	425	825	793
	170,804			