

GULFPORT ENERGY CORP
Form 10-Q
November 05, 2013
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

ý QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934
FOR THE QUARTERLY PERIOD ENDED September 30, 2013
OR
“ TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF SECURITIES EXCHANGE ACT OF 1934
Commission File Number 000-19514

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

Delaware 73-1521290
(State or Other Jurisdiction of (IRS Employer
Incorporation or Organization) Identification Number)

14313 North May Avenue, Suite 100 73134
Oklahoma City, Oklahoma (Zip Code)
(Address of Principal Executive Offices)
(405) 848-8807
(Registrant 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 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 ý 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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý 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. (Check One):

Large Accelerated Filer x Accelerated Filer “

Non-Accelerated Filer

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

As of November 1, 2013, 77,584,405 shares of common stock were outstanding.

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GULFPORT ENERGY CORPORATION
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30, 2013	December 31, 2012
	(In thousands, except share data)	
Assets		
Current assets:		
Cash and cash equivalents	\$95,466	\$167,088
Accounts receivable—oil and gas	47,673	25,615
Accounts receivable—related parties	29,797	34,848
Prepaid expenses and other current assets	4,634	1,506
Deferred tax asset	787	—
Short-term derivative instruments	1,633	664
Note receivable - related party	875	—
Total current assets	180,865	229,721
Property and equipment:		
Oil and natural gas properties, full-cost accounting, \$952,697 and \$626,295 excluded from amortization in 2013 and 2012, respectively	2,253,605	1,611,090
Other property and equipment	10,164	8,662
Accumulated depletion, depreciation, amortization and impairment	(747,698) (665,884
Property and equipment, net	1,516,071	953,868
Other assets:		
Equity investments (\$242,174 and \$151,317 attributable to fair value option in 2013 and 2012, respectively)	500,679	381,484
Derivative instruments	127	—
Other assets	12,827	13,295
Total other assets	513,633	394,779
Total assets	\$2,210,569	\$1,578,368
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$179,357	\$110,244
Asset retirement obligation—current	780	60
Short-term derivative instruments	4,808	10,442
Current maturities of long-term debt	156	150
Total current liabilities	185,101	120,896
Long-term derivative instrument	962	—
Asset retirement obligation—long-term	13,988	13,215
Deferred tax liability	93,957	18,607
Long-term debt, net of current maturities	298,992	298,888
Other non-current liabilities	—	354
Total liabilities	593,000	451,960
Commitments and contingencies (Note 11)		
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, 77,584,405 issued and outstanding in 2013 and 67,527,386 in 2012	775	674

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Paid-in capital	1,399,803	1,036,245
Accumulated other comprehensive loss	(4,841) (3,429
Retained earnings	221,832	92,918
Total stockholders' equity	1,617,569	1,126,408
Total liabilities and stockholders' equity	\$2,210,569	\$1,578,368

See accompanying notes to consolidated financial statements.

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GULFPORT ENERGY CORPORATION
 CONSOLIDATED STATEMENTS OF OPERATIONS
 (Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2013	2012	September 30, 2013	2012
	(In thousands, except share data)			
Revenues:				
Oil and condensate sales	\$52,972	\$58,609	\$167,051	\$187,633
Gas sales	10,755	973	19,014	2,127
Natural gas liquid sales	5,100	874	7,828	2,374
Other income	425			