

Bonanza Creek Energy, Inc.
Form 10-Q
August 09, 2018
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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, 2018

Commission File Number: 001-35371

Bonanza Creek Energy, Inc.

(Exact name of registrant as specified in its charter)

Delaware 61-1630631

(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

410 17th Street, Suite 1400

Denver, Colorado 80202

(Address of principal executive offices) (Zip Code)

(720) 440-6100

(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, 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)

Emerging growth company Smaller reporting 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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

As of August 1, 2018, the registrant had 20,541,070 shares of common stock outstanding.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

BONANZA CREEK ENERGY, INC. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)
 (in thousands, except share amounts)

	Successor	
	June 30, 2018	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$21,989	\$ 12,711
Accounts receivable:		
Oil and gas sales	38,830	28,549
Joint interest and other	13,926	3,831
Prepaid expenses and other	5,620	6,555
Inventory of oilfield equipment	1,434	1,019
Derivative assets	39	488
Total current assets	81,838	53,153
Property and equipment (successful efforts method):		
Proved properties	552,858	555,341
Less: accumulated depreciation, depletion and amortization	(29,703)	(17,032)
Total proved properties, net	523,155	538,309
Unproved properties	179,735	183,843
Wells in progress	52,747	47,224
Oil and gas properties held for sale, net of accumulated depreciation, depletion and amortization of \$2,583 in 2018 (note 4)	82,328	—
Other property and equipment, net of accumulated depreciation of \$2,722 in 2018 and \$2,224 in 2017	4,488	4,706
Total property and equipment, net	842,453	774,082
Long-term derivative assets	—	6
Other noncurrent assets	3,151	3,130
Total assets	\$927,442	\$ 830,371
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses (note 5)	\$50,242	\$ 62,129
Oil and gas revenue distribution payable	20,355	15,667
Derivative liability	28,416	11,423
Total current liabilities	99,013	89,219
Long-term liabilities:		
Credit facility	60,000	—
Ad valorem taxes	19,803	11,584
Long-term derivative liability	4,657	2,972
Asset retirement obligations for oil and gas properties	28,154	38,262
Asset retirement obligations for oil and gas properties held for sale (note 4)	5,386	—
Total liabilities	217,013	142,037

Commitments and contingencies (note 7)

Stockholders' equity:

Preferred stock, \$.01 par value, 25,000,000 shares authorized, none outstanding	—	—
Common stock, \$.01 par value, 225,000,000 shares authorized, 20,534,799 and 20,453,549 issued and outstanding in 2018 and 2017, respectively	4,286	4,286
Additional paid-in capital	692,434	689,068
Retained earnings (deficit)	13,709	(5,020)
Total stockholders' equity	710,429	688,334
Total liabilities and stockholders' equity	\$927,442	\$ 830,371

The accompanying notes are an integral part of these condensed consolidated financial statements.

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BONANZA CREEK ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)

(in thousands, except per share amounts)

Successor		Predecessor
Three	April	April 1,
Months	29,	2017
Ended	2017	through
June	through	April 28,
30,	June 30,	2017
2018	2017	