

CRIMSON EXPLORATION INC.

Form 10-Q

May 14, 2008

FORM 10-Q

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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

For the quarterly period ended March 31, 2008

OR

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 000-21644

CRIMSON EXPLORATION INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

717 Texas Avenue, Suite 2900

Houston, Texas

20-3037840

(IRS Employer Identification No.)

77002

(zip code)

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(Address of principal executive offices)

(713) 236-7400

(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 is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition 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 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

On May 5, 2008, there were 5,168,958 shares outstanding of the Registrant's Common Stock, par value \$0.001.

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CRIMSON EXPLORATION INC.

FOR THE QUARTER ENDED MARCH 31, 2008

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PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS.**

CRIMSON EXPLORATION INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

ASSETS

	March 31, 2008 (unaudited)	December 31, 2007
CURRENT ASSETS		
Cash and cash equivalents	\$ 10,909,238	\$ 4,882,511
Accounts receivable – trade, net of allowance for doubtful accounts of \$215,015 in 2008 and 2007	34,088,461	30,034,558
Prepaid expenses	297,281	230,870
Deferred tax asset, net	8,812,302	1,134,918
Total current assets	54,107,282	36,282,857
PROPERTY AND EQUIPMENT		
Oil and gas properties, using the successful efforts method of accounting	412,684,844	407,905,609
Other property and equipment	2,806,217	2,710,995
Accumulated depreciation, depletion and amortization	(65,284,825) (54,128,002
Total property and equipment, net	350,206,236	356,488,602
NONCURRENT ASSETS		
Deposits	94,591	94,591
Debt issuance cost, net	3,696,676	3,982,023
Deferred charges	1,400,000	1,400,000
Deferred tax asset, net	—	488,293
Total other assets	5,191,267	5,964,907
TOTAL ASSETS	\$ 409,504,785	\$ 398,736,366
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of long-term debt	\$ 97,585	\$ 100,609
Accounts payable – trade	38,504,000	41,432,777
Accrued liabilities	4,254,254	3,234,553
Asset retirement obligations	1,407,347	1,407,347
Derivative instruments	23,293,790	2,505,251
Total current liabilities	67,556,976	48,680,537
NONCURRENT LIABILITIES		
Long-term debt, net of current portion	235,051,926	260,064,226
Asset retirement obligations	6,280,115	6,148,144
Deferred tax liability, net	7,859,147	—
Derivative instruments	20,440,999	12,747,019
Other noncurrent liabilities	616,066	1,443,359
Total noncurrent liabilities	270,248,253	280,402,748

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Total liabilities	337,805,229	329,083,285
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