

TENGASCO INC
Form 10-Q
August 10, 2009

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, 2009

Commission File No. 1-15555

Tengasco, Inc.

(Exact name of issuer as specified in its charter)

Tennessee-
State or other jurisdiction of

87-0267438
(IRS Employer Identification No.)

Incorporation or organization

10215 Technology Drive, Suite 301, Knoxville, TN 37932

(Address of principal executive offices)

(865-675-1554)

(Issuer's telephone number, including area code)

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Indicate by check mark whether the issuer (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 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 59,360,661 common shares at August 1, 2009

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TENGASCO, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS

	June 30, 2009	
	(Unaudited)	December 31, 2008
Assets		
Current		
Cash and cash equivalents	\$344,982	\$ 244,758
Accounts receivable	936,937	1,104,257
Participant receivables	18,002	24,607
Inventory	557,719	475,640
Other current assets	11,056	11,056
Total current assets	1,868,696	1,860,318
Restricted Cash	120,500	120,500
Loan Fees	151,289	201,719
Oil and gas properties, net (on the basis	13,491,877	14,141,698
of full cost accounting)		
Pipeline facilities, net	12,111,092	12,379,642
Other property and equipment, net	342,160	285,075
Deferred Tax Asset	9,100,880	9,100,880
Methane Project	4,530,080	4,356,775

Total	\$ 41,716,574	\$ 42,446,607
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See accompanying notes to condensed consolidated financial statements

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TENGASCO, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

LIABILITIES AND STOCKHOLDERS' EQUITY

	June 30, 2009 (Unaudited)	December 31, 2008
Current liabilities		
Current maturities of long-term debt	\$91,727	\$ 74,877
Accounts payable	699,359	701,086
Other accrued liabilities	343,029	437,199
Total current liabilities	1,134,115	1,213,162
Asset retirement obligation	615,227	655,727
Deferred Conveyance		
Oil & Gas Properties	816,681	1,097,165
Prepaid Revenues	853,000	853,000
Long term debt, less current maturities	10,086,236	10,052,023
Total liabilities	13,505,259	13,871,077
Stockholders' equity		
Common stock, \$.001 par value; authorized 100,000,000 shares; 59,360,661 and 59,350,661 shares issued and outstanding	59,361	59,351
Additional paid-in capital	55,110,325	54,992,327
Accumulated deficit	(26,958,371)	(26,476,148)

Total stockholders' equity	28,211,315	28,575,530
	\$ 41,716,574	\$ 42,446,607

See accompanying notes to condensed consolidated financial statements

TENGASCO, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	For the Three Months Ended <u>June 30,</u>		For the Six Months Ended <u>June 30,</u>	
	2009	2008	2009	2008
Revenues and other income				
Oil and gas revenues	\$ 2,352,171	\$ 4,626,265	\$ 4,250,198	\$ 7,921,334
Pipeline transportation revenues	2,235	3,446	3,570	6,191
Interest income	223	3,877	562	11,783
Total revenues and other income	2,354,629	4,633,588	4,254,330	7,939,308
Cost and other deductions				
Production costs and taxes	1,310,357	1,408,116	2,374,289	2,743,137
Depletion and amortization	482,955	473,646	958,603	938,946
Interest expense	155,159	72,216	309,437	180,104
General and administrative cost	405,646	411,885	833,855	809,492
Public relations	24,815	21,253	40,599	38,518
Professional fees	16,290	84,765	219,770	182,393
Total cost and other	2,435,222	2,471,881	4,736,553	4,892,590

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deductions

Loss/Income From Operations	(80,593)	\$ 2,161,707	\$ (482,223)	\$ 3,046,718
Deferred - Tax Benefit	-	-	-	5,227,000
Income Tax Expense	-	(740,000)	-	(1,040,000)
Net Loss/Income	(80,593)	\$ 1,421,707	\$ 482,223	\$ 7,233,718
Net Loss/Income per share				
	\$ (0.00)	\$ 0.02	\$ (0.01)	\$ 0.12
Basic and diluted:				
	\$ 0.00)	\$ 0.02	\$ (0.01)	\$ 0.12
Shares used in computing Earnings Per Share				
Basic	59,357,804	59,189,990	59,354,252	59,173,178
Diluted	59,357,804	61,582,347	59,354,252	61,565,536

See accompanying notes to condensed consolidated financial statements

TENGASCO, INC.

CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(Unaudited)

	<u>Common Stock</u>				
	<u>Shares</u>	<u>Amount</u>	<u>Additional Paid in</u>	<u>Accumulated Deficit</u>	<u>Total</u>
			<u>Capital</u>		
Balance at December 31, 2008	59,350,661	\$ 59,351	\$ 54,992,327	\$ (26,476,148)	\$ 28,575,530
Net Loss	-	-	-	(482,223)	(482,223)