

New Concept Energy, Inc.
Form 10-Q
May 15, 2014

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 QUARTER ENDED MARCH 31, 2014
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 000-08187
NEW CONCEPT ENERGY, INC.
(Exact Name of Registrant as Specified in Its Charter)

Nevada
(State or Other Jurisdiction of
Incorporation or Organization)

75-2399477
(I.R.S. Employer
Identification No.)

1603 LBJ Freeway
Suite 300
Dallas, Texas
(Address of principal executive offices)
75234
(Zip Code)
(972) 407-8400
(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,

Edgar Filing: New Concept Energy, Inc. - Form 10-Q

or 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 ☐

R

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

Indicate the number of shares outstanding of each of the issuer’s classes of Common Stock, as of the latest practicable date.

Common Stock, \$.01 par value
(Class)

1,946,935 shares
(Outstanding at May 14, 2014)

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
Index to Quarterly Report on Form 10-Q
Period ended March 31, 2014

PART I: FINANCIAL INFORMATION

Item 1. Financial Statements	
Consolidated Balance Sheets	3
Consolidated Statements of Operations	5
Consolidated Statements of Cash Flows	6
Notes To Consolidated Financial Statements	7
 Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	 10
 Item 3. Quantitative and Qualitative Disclosures About Market Risk	 12
 Item 4. Controls and Procedures	 13

PART II: OTHER INFORMATION	13
----------------------------	----

Item 1. Legal Proceedings	13
 Item 6. Exhibits	 14
 Signatures	 15

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(unaudited)
(amounts in thousands)

	March 31, 2014	December 31, 2013
Assets		
Current assets		
Cash and cash equivalents	\$443	\$1,621
Accounts receivable from oil and gas sales	168	195
Other current assets	201	203
Total current assets	812	2,019
Oil and natural gas properties (full cost accounting method)		
Proved developed and undeveloped oil and gas properties, net of depletion	9,025	9,190
Property and equipment, net of depreciation		
Land, buildings and equipment - oil and gas operations	1,422	1,442
Other	188	183
Total property and equipment	1,610	1,625
Other assets (including \$123,000 and \$122,000 due from related parties in 2014 and 2013)	1,145	474
Total assets	\$12,592	\$13,308

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

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - CONTINUED
(unaudited)
(amounts in thousands, except share amounts)

	March 31, 2014	December 31, 2013
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable - trade	\$ 303	\$ 121
Accrued expenses	175	965
Current portion of long term debt	185	185
Total current liabilities	663	1,271
Long-term debt		
Notes payable less current portion	2,127	2,195
Asset retirement obligation	2,770	2,770
Total liabilities	5,560	6,236
Stockholders' equity		
Preferred stock, Series B	1	1
Common stock, \$.01 par value; authorized, 100,000,000 shares; issued and outstanding, 1,946,935 shares at March 31, 2014 and December 31, 2013	20	20
Additional paid-in capital	58,838	58,838
Accumulated deficit	(51,827)	(51,787)
	7,032	7,072
Total liabilities & equity	\$ 12,592	\$ 13,308

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

NEW CONCEPT ENERGY, INC AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)
(amounts in thousands, except per share data)

	For the Three Months ended March 31,	
	2014	2013
Revenue		
Oil and gas operations, net of royalties	\$344	\$340
Real estate operations	725	680
	1,069	1,020