Tengasco Announces Third Quarter 2019 Financial Results

GREENWOOD VILLAGE, Colo., November 13, 2019 /PRNewswire/ -- Tengasco, Inc. (NYSE American: TGC) announced today its financial results for the quarter ended September 30, 2019. The Company reported a net loss from continuing operations of $182,000 or $0.02 per share of common stock during the third quarter of 2019 compared to a net income from continuing operations of $298,000 or $0.03 per share of common stock during the third quarter of 2018. The $480,000 decrease in net income was primarily due to a $439,000 decrease in revenues and a $51,000 increase in production costs and taxes.

The Company recognized $1.2 million in revenues during the third quarter of 2019 compared to $1.65 million during the third quarter of 2018. The $439,000 decrease in net revenue was due to a $311,000 reduction resulting from a $13.16 per barrel decrease in the average oil price from $64.34 per barrel during the third quarter of 2018 to $51.18 per barrel during the third quarter of 2019, and a $128,000 reduction related to the 2.0 MBbl decrease in sales volumes. The 2.0 MBbl decrease was primarily due to lower sales volumes on the Veverka D lease as a result of expected declines from the higher volumes realized immediately after the polymer work performed in June 2018 and natural declines on other properties, partially offset by higher sales volumes attributed to the BSU #1-30 well that was completed in October 2018.

The Company reported a net loss from continuing operations of $269,000 or $0.03 per share of common stock during the first nine months of 2019 compared to a net income from continuing operations of $530,000 or $0.05 per share of common stock during the first nine months of 2018. The $799,000 decrease in net income was primarily due to a $720,000 decrease in revenues, and a $102,000 increase in production cost and taxes.

The Company recognized $3.8 million in revenues during the first nine months of 2019 compared to $4.5 million during the first nine months of 2018. The revenue decrease from 2018 levels was due to a $662,000 reduction related to an $9.18 per barrel decrease in the average oil price from $61.27 per barrel during the first nine months of 2018 to $52.09 per barrel during the first nine months of 2019, and a $53,000 reduction related to an 860 Bbl decrease in sales volumes. The 860 Bbl decrease was primarily due to lower sales volumes on the Veverka D lease as a result of expected declines from the higher volumes realized immediately after the polymer work performed in June 2018 and natural declines on other properties, partially offset by higher sales volumes attributed to the BSU #1-30 well that was completed in October 2018.

Michael J. Rugen, CEO said “The Company in in the process of completing two wells in Kansas on leases owned by third parties. The Company will operate one of these wells and be a nonoperator in the other well. These have been funded mostly from cash flows, without borrowing under the Company’s credit facility with Prosperity Bank. The Company continues to evaluate other acquisitions, joint ventures, or corporate opportunities that may add shareholder value.”

The statements contained in this release that are not purely historical are forward-looking statements within the meaning of applicable securities laws. The Company's actual results could differ materially from the forward-looking statements.

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