

# CONTANGO OIL & GAS CO

## **FORM 8-K** (Current report filing)

Filed 09/19/17 for the Period Ending 09/19/17

Address	717 TEXAS AVENUE SUITE 2900 HOUSTON, TX, 77002
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

**FORM 8-K**

**CURRENT REPORT**

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

**Date of Report (Date of Earliest Event Reported): September 18, 2017**

**CONTANGO OIL & GAS COMPANY**  
(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other Jurisdiction of Incorporation)

**001-16317**  
(Commission File Number)

**95-4079863**  
(IRS Employer Identification No.)

717 Texas Ave., Suite 2900, Houston Texas 77002  
(Address of Principal Executive Offices)

(713) 236-7400  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth 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.

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**Item 7.01 Regulation FD Disclosure**

On September 18, 2017 Contango Oil & Gas Company (the "Company") announced in a press release initial production rates on its fourth well drilled in the Southern Delaware Basin acreage in Pecos County, Texas, as well as the impact of Hurricane Harvey on its operations. A copy of the press release is attached hereto as Exhibit 99.1.

In accordance with General Instruction B.2. of Form 8-K and the Securities and Exchange Commission Release No. 33-8176, the information furnished pursuant to Item 7.01 in this report on Form 8-K (including the press release attached as Exhibit 99.1 incorporated by reference in this report) shall not be deemed to be "filed" for purposes of Section 18 of the Securities Act of 1934, as amended, or otherwise subject to the liabilities of that section, and is not deemed to be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

**Item 9.01 Financial Statements and Exhibits**

*(d) Exhibits*

**Exhibit No.**

99.1 Press Release dated September 18, 2017

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

CONTANGO OIL & GAS COMPANY

Date: September 19, 2017

/s/ E. JOSEPH GRADY

E. Joseph Grady  
Senior Vice President and  
Chief Financial Officer

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# CONTANGO OIL & GAS COMPANY

## NEWS RELEASE

### **Contango Updates Southern Delaware Basin Operations and Impact of Hurricane Harvey**

HOUSTON, Sept. 18, 2017 (GLOBE NEWSWIRE) -- Contango Oil & Gas Company (NYSE MKT:MCF) ("Contango") announced today an update on its Pecos County, Texas operations, including results on the Gunner #2H, its fourth well drilled on its Southern Delaware Basin acreage.

#### *Gunner*

The Gunner #2H well (50%WI, 37.5%NRI) was drilled to a TMD of 20,430 feet, including a 10,600 foot lateral into the Lower Wolfcamp A. The well was completed with 50 stages of fracture stimulation in June, with initial flowback commencing in early August. The well reached a gross maximum 3-stream 24-hour IP rate of 1,348 Boed (77% oil), and the last 30 days have averaged 1,152 Boed (76% oil), which represents our best performance to date.

We have now tested multiple landing points within the Wolfcamp A bench and believe we have proven at least two benches for development within the Wolfcamp A across our acreage position. The Rude Ram and Gunner landing points are spaced with approximately 130' of vertical separation from an Upper Wolfcamp A and a lower Wolfcamp A landing, respectively. Each well we have drilled has shown progressively better production performance than the previous due to enhancements to completion and flowback techniques. Our last two wells, the Rude Ram, which has produced 100 Mboe in 4 months and the Gunner, have been our best wells to date. We will continue to evaluate and enhance our leasehold with future drilling into the Bone Springs and the Wolfcamp B zone. We remain very optimistic about these future benches in light of recent activity around our position.

#### *Crusader*

The Crusader #1H well (40%WI, 30.3%NRI) was spud in June 2017 targeting the Lower Wolfcamp A. The well was drilled to a TMD of 20,275, including a 10,184 lateral. Completion operations with 50 stages of fracture stimulation are expected to commence in early January, as it and the Fighting Ace #3H will be zipper-fraced from the same pad.

#### *Fighting Ace*

The Fighting Ace #1H well (50%WI) was spud in June 2017 targeting the Upper Wolfcamp A. The well was drilled on the same pad as the Crusader #1H, approximately 40 feet away. While drilling the lateral at a measured depth of approximately 14,416 feet, we encountered mechanical difficulties and temporarily abandoned the well; but we expect this well bore on the Crusader pad could have future utility for a possible shallower Bone Springs test. Upon completion of the drilling of the Ragin Bull well, our current plans are to move the rig to the Fighting Ace #3H location targeting the Wolfcamp.

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## *Ragin Bull*

The Ragin Bull #1H (47.3%WI), about two miles to the northwest of the Fighting Ace location, was spud on September 12<sup>th</sup> and will target the Wolfcamp formation to satisfy lease considerations. This well will also include an approximate 10,000 foot lateral with 50 stages of fracture stimulation. Completion operations on the Ragin Bull are expected to commence upon the completion of drilling operations in mid-November.

## *Hurricane Harvey Impact on Production*

As a result of the extreme weather and flooding caused by Hurricane Harvey, certain of our wells were temporarily shut-in for precautionary reasons, due to limited access or because of shut-ins by our purchasers due to the shutdown of refineries along the Texas Gulf Coast. All production has resumed at normal levels and the effect on our third quarter production is estimated at approximately 1.3 Mmcfe per day for the quarter.

Contango Oil & Gas Company is a Houston, Texas based, independent energy company engaged in the acquisition, exploration, development, exploitation and production of crude oil and natural gas offshore in the shallow waters of the Gulf of Mexico and in the onshore Texas and Rocky Mountain regions of the United States. Additional information is available on the Company's website at <http://contango.com>.

*This press release contains forward-looking statements regarding Contango that are intended to be covered by the safe harbor "forward-looking statements" provided by the Private Securities Litigation Reform Act of 1995, based on Contango's current expectations and includes statements regarding acquisitions and divestitures, estimates of future production, future results of operations, quality and nature of the asset base, the assumptions upon which estimates are based and other expectations, beliefs, plans, objectives, assumptions, strategies or statements about future events or performance (often, but not always, using words such as "expects", "projects", "anticipates", "plans", "estimates", "potential", "possible", "probable", or "intends", or stating that certain actions, events or results "may", "will", "should", or "could" be taken, occur or be achieved). Statements concerning oil and gas reserves also may be deemed to be forward looking statements in that they reflect estimates based on certain assumptions that the resources involved can be economically exploited. Forward-looking statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ materially from those, reflected in the statements. These risks include, but are not limited to: the risks of the oil and gas industry (for example, operational risks in exploring for, developing and producing crude oil and natural gas; risks and uncertainties involving geology of oil and gas deposits; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to future production, costs and expenses; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; health, safety and environmental risks and risks related to weather such as hurricanes and other natural disasters); uncertainties as to the availability and cost of financing; fluctuations in oil and gas prices; risks associated with derivative positions; inability to realize expected value from acquisitions, inability of our management team to execute its plans to meet its goals, shortages of drilling equipment, oil field personnel and services, unavailability of gathering systems, pipelines and processing facilities and the possibility that government policies may change or governmental approvals may be delayed or withheld. Additional information on these and other factors which could affect Contango's operations or financial results are included in Contango's other reports on file with the Securities and Exchange Commission. Investors are cautioned that any forward-looking statements are not guarantees of future performance and actual results or developments may differ materially from the projections in the forward-looking statements. Forward-looking statements are based on the estimates and opinions of management at the time the statements are made. Contango does not assume any obligation to update forward-looking statements should*

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*circumstances or management's estimates or opinions change. Initial production rates are subject to decline over time and should not be regarded as reflective of sustained production levels.*

**Contact:**

*Contango Oil & Gas Company*

*E. Joseph Grady – 713-236-7400 Sergio Castro – 713-236-7400*

*Senior Vice President and Chief Financial Officer Vice President and Treasurer*

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