

GeoMet, Inc.  
Form 10-Q  
May 13, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

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**FORM 10-Q**

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

**For the quarterly period ended March 31, 2014**

**OR**

**o 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 001-32960**

## GeoMet, Inc.

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**76-0662382**  
(I.R.S. Employer  
Identification Number)

**909 Fannin, Suite 1850**

**Houston, Texas 77010**

**(713) 659-3855**

(Address of principal executive offices and telephone number, including area code)

**N/A**

(Former name, former address and former fiscal year, if changed since last report)

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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, 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

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

As of May 1, 2014, 40,649,440 shares and 6,188,032 shares, respectively, of the registrant's common stock and preferred stock, par value \$0.001 per share, were outstanding.

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	<b>March 31, 2014</b>	<b>December 31, 2013</b>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 7,559,114	\$ 8,108,272
Assets held for sale	46,451,620	
Accounts receivable, net of allowance of \$14,744 at March 31, 2014 and December 31, 2013	10,018	2,900,807
Other current assets	101,909	692,740
Total current assets	54,122,661	11,701,819
Natural gas properties utilizing the full cost method of accounting:		
Proved natural gas properties		333,109,974
Other property and equipment		3,158,701
Total property and equipment		336,268,675
Less accumulated depreciation, depletion, amortization and impairment of gas properties		(293,939,624)
Property and equipment net		42,329,051
Other noncurrent assets:		
Other	47,409	769,384
Total other noncurrent assets	47,409	769,384
<b>TOTAL ASSETS</b>	<b>\$ 54,170,070</b>	<b>\$ 54,800,254</b>
<b>LIABILITIES, MEZZANINE AND STOCKHOLDERS DEFICIT</b>		
Current Liabilities:		
Accounts payable	\$ 531,263	\$ 3,541,770
Royalties payable		3,656,272
Accrued liabilities	8,910	1,073,653
Liabilities held for sale	87,242,070	
Derivative liability natural gas contracts		834,151
Asset retirement obligations		265,470
Current portion of long-term debt		71,550,000
Total current liabilities	87,782,243	80,921,316
Asset retirement obligations	1,359,671	8,915,407
Derivative liability natural gas contracts		709,571
Other long-term accrued liabilities		113,434
<b>TOTAL LIABILITIES</b>	<b>89,141,914</b>	<b>90,659,728</b>
Commitments and contingencies (Note 14)		
Mezzanine equity:		
Series A Convertible Redeemable Preferred Stock net of offering costs of \$1,660,435; redemption amount \$61,880,320; \$.001 par value; 7,401,832 shares authorized, 6,188,032 and 6,000,571 shares were issued and outstanding at March 31, 2014 and December 31, 2013, respectively	44,649,612	43,404,993
Stockholders Deficit:		
Preferred stock, \$0.001 par value 2,598,168 shares authorized, none issued	40,663	40,663

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Common stock, \$0.001 par value authorized 125,000,000 shares; 40,659,872 issued and 40,649,440 outstanding at March 31, 2014 and 40,662,749 issued and 40,652,317 outstanding at December 31, 2013			
Treasury stock, at cost	10,432 shares at March 31, 2014 and December 31, 2013	(94,424)	(94,424)
Paid-in capital		186,321,871	187,527,716
Retained deficit		(265,889,566)	(266,738,422)
Total stockholders' deficit		(79,621,456)	(79,264,467)
TOTAL LIABILITIES, MEZZANINE AND STOCKHOLDERS' DEFICIT		\$ 54,170,070	\$ 54,800,254

See accompanying Notes to Consolidated Financial Statements (Unaudited).

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**GEOMET, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)**  
**FOR THE THREE MONTHS ENDED MARCH 31,**

	<b>2014</b>	<b>2013</b>
Expenses:		
Depreciation, depletion and amortization	\$ 113,817	\$ 34,372
General and administrative	1,029,604	998,233
Restructuring costs		70,188
Total operating expenses	1,143,421	1,102,793