
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 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): May 22, 2018

VAALCO Energy, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-32167
(Commission
File Number)

76-0274813
(IRS Employer
Identification No.)

9800 Richmond Avenue, Suite 700
Houston, Texas
(Address of principal executive offices)

77042
(Zip Code)

Registrant's telephone number, including area code: (713) 623-0801

Not Applicable
(Former Name or former address if changed since last report.)

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:

- 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 240.14d-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 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-2of 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.

Item 1.02 Termination of Material Definitive Agreement

VAALCO Energy, Inc. (the “Company”) and its subsidiaries, VAALCO Gabon (Etame), Inc., VAALCO International, Inc. and VAALCO Gabon S.A. are parties to an amended loan agreement with the International Finance Corporation (the “IFC”) dated December 29, 2016 (“Amended Term Loan Agreement”) which, was secured by the assets of VAALCO Gabon S.A. and was guaranteed by the Company as the parent company. The Amended Term Loan Agreement provided for quarterly principal and interest payments on the amounts currently outstanding through June 30, 2019.

The principal amount of the borrowings at March 31, 2018 under the Amended Term Loan Agreement was \$7.1 million, and unamortized deferred financing costs were \$0.1 million. On May 22, 2018, the Amended Term Loan Agreement was terminated by a prepayment of the outstanding principle and accrued interest. The Company did not incur any termination or prepayment penalties as a result of the termination of the Amended Term Loan Agreement.

The Company issued a press release announcing the elimination of the debt and start of a workover program. A copy of the Company’s press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in Exhibit 99.1, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and is not incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

SIGNATURE

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.

VAALCO Energy, Inc.
(Registrant)

Date: May 22, 2018

By: /s/ Elizabeth D. Prochnow
Name: Elizabeth D. Prochnow
Title: Controller and Chief Accounting Officer

Exhibit Index

Exhibit Number	Description
<u>99.1</u>	Press Release, dated May 22, 2018



**VAALCO ENERGY, INC. ANNOUNCES EARLY REPAYMENT OF IFC DEBT AND THAT
THE WORKOVER PROGRAM IS NOW UNDERWAY**

HOUSTON – May 22, 2018 – VAALCO Energy, Inc. (NYSE: EGY) today announced that its subsidiary has paid off the outstanding balance on its Amended Term Loan Agreement with the International Finance Corporation (“IFC”) and begun workover operations last week to restore production to two wells currently shut-in on the Avouma platform.

Highlights and Recent Key Items:

- Eliminated \$7.0 million of outstanding debt with IFC, with cash on hand;
- Results in savings of over \$0.3 million in interest over the next year;
- Began workover operations on the Avouma platform on May 17, 2018 to replace electric submersible pumps (“ESPs”) in the Avouma 2-H and South Tchibala 1-HB wells;
- Estimates net production of approximately 750 net barrels of oil per day (“BOPD”) may be restored if both workovers are successful.

Cary Bounds, Chief Executive Officer commented, “We are realizing significant cash flow generation due to the strong improvement in Brent oil prices with no hedges currently in place. This is allowing us to eliminate all of our outstanding debt and strengthen our balance sheet. We are improving our financial position in anticipation of a development drilling campaign on our offshore Gabon asset in 2019. In addition, our workover operations to restore production from two shut-in wells on the Avouma platform have commenced. We are hopeful that modifications to the design of the downhole ESP equipment, improvements in the installation procedures and upgrades to the surface control systems on the platform will result in improved operational reliability. With the additional 750 net BOPD of production that these wells could bring back online if the workover operations are successful, coupled with higher Brent pricing, we will continue to enhance our ability to generate cash in 2018.”

At March 31, 2018, debt, net of deferred financing costs, totaled \$7.0 million. The total payoff amount for the principal and accrued interest since March 31, 2018 was approximately \$7.2 million. VAALCO now has no debt on the balance sheet for the first time since June 30, 2014.

About VAALCO

VAALCO Energy, Inc. is a Houston-based independent energy company principally engaged in the acquisition, development and production of crude oil. The Company's properties and acreage are located primarily in Gabon and Equatorial Guinea in West Africa.

Investor Contact

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