
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): June 14, 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-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. ☐

Item 8.01 Other Events.

On June 14, 2018, VAALCO Energy, Inc. (the “Company”), entered into Brent crude oil swaps pursuant to an International Swaps and Derivatives Association (“ISDA”) Master Agreement with a major energy company counterparty. The swaps have a total fixed notional volume of approximately 400,000 barrels at a dated Brent weighted average price of \$74.00 per barrel for the 13 month period from June 2018 to June 2019. The ISDA, together with its related schedules, contain customary representations and warranties and covenants. The hedging arrangement may be terminated prior to its expiration.

The hedging agreement was entered into to mitigate the oil price volatility risk and enhance the certainty of future revenues and are not for trading purposes. The Company will account for financial commodity derivative contracts using the mark-to-market accounting method.

The Company issued a press release announcing the hedges and completion of a portion of the previously announced 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 this Current Report on Form 8-K, including 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: June 19, 2018

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

Exhibit Index

Exhibit Number	Description
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<u>99.1</u>	Press Release, dated June 19, 2018
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**VAALCO ENERGY, INC. PROVIDES OPERATIONAL AND
FINANCIAL UPDATE**

HOUSTON – June 19, 2018 – VAALCO Energy, Inc. (NYSE: EGY) today announced that the workover operations on the Avouma 2H well are complete and replacement of the Electrical Submersible Pump (ESP) system was conducted safely and efficiently with no injuries or environmental incidents. The well is online producing at rates in excess of pre-shutdown levels and is expected to stabilize around 2,000 barrels of oil per day (BOPD) gross, or 540 BOPD net to the Company.

In addition, a third workover has commenced to proactively upgrade the ESP system in the South Tchibala 2H well while the Company has the hydraulic workover unit on the platform. With the proactive replacement of the system, the Company is mitigating the potential for a premature ESP failure by installing a system with design enhancements that are expected to extend the run life of the ESP. The Company will also realize cost savings by conducting the South Tchibala 2H workover while the hydraulic workover unit is already on the platform.

VAALCO also announced that it has executed a hedge swap at a Dated Brent weighted average of \$74 per barrel for the period from and including June 2018 through June 2019 for a quantity of approximately 400,000 barrels.

Cary Bounds, Chief Executive Officer, commented, “We are pleased to have restored significant production from the Avouma 2H well. We are realizing significant cash flow generation at current Brent pricing, and have decided to lock in cash generation at \$74 per barrel on approximately 400,000 barrels over the next 13 months in anticipation of a possible development drilling campaign on our offshore Gabon asset in 2019. With the recent elimination of all of our outstanding debt, we will continue to strengthen our balance sheet through cash flow generation and look to future economic development drilling opportunities.”

Forward Looking Statements

This document includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this document that address activities, events, plans, expectations, objectives or developments that VAALCO expects, believes or anticipates will or may occur in the future are forward-looking statements. These statements are based on assumptions made

by VAALCO based on its experience and perception of historical trends, current conditions, expected future developments and other factors it believes are appropriate in the circumstances. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond VAALCO's control.

These and other risks are further described in VAALCO's annual report on Form 10-K for the year ended December 31, 2017 and quarterly report on Form 10-Q for the quarter ended March 31, 2018 and other reports filed with the SEC which can be reviewed at <http://www.sec.gov>, or which can be received by contacting VAALCO at 9800 Richmond Avenue, Suite 700, Houston, Texas 77042, (713) 623-0801. Investors are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in the forward-looking statements. VAALCO disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

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

Phil Patman, Jr. 713-623-0801