

CREDO PETROLEUM CORP  
Form 10-Q  
September 09, 2009  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 10-Q**

(Mark One)

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

**For the quarterly period ended July 31, 2009**

**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: 0-8877**

**CREDO PETROLEUM CORPORATION**

(Exact name of registrant as specified in its charter)

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**Delaware**

(State or other jurisdiction of incorporation or organization)

**84-0772991**

(IRS Employer Identification No.)

**1801 Broadway, Suite 900, Denver, Colorado**

(Address of principal executive offices)

**80202**

(Zip Code)

**303-297-2200**

(Registrant's telephone number, including area code)

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-Y 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 Act.)

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller Reporting Company

(Do not check if a smaller reporting company)

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, net of treasury stock, as of the latest practicable date.

<b>Date</b>	<b>Class</b>	<b>Outstanding</b>
September 9, 2008	Common stock, \$.10 par value	10,295,000

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**CREDO PETROLEUM CORPORATION AND SUBSIDIARIES**

**Quarterly Report on Form 10-Q For the Period Ended July 31, 2009**

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The terms CREDO , Company , we , our , and us refer to CREDO Petroleum Corporation and its subsidiaries unless the context suggests otherwise.

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	July 31, 2009 (Unaudited)	October 31, 2008
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 13,490,000	\$ 22,332,000
Short-term investments	687,000	3,044,000
Receivables:		
Accrued oil and gas sales	1,260,000	1,733,000
Trade	398,000	995,000
Derivative Assets	699,000	1,745,000
Other current assets	328,000	205,000
Total current assets	16,862,000	30,054,000
Long-term assets:		
Oil and gas properties, at cost, using full cost method:		
Unevaluated oil and gas properties	6,715,000	12,280,000
Evaluated oil and gas properties	74,651,000	59,730,000
Less: accumulated depreciation, depletion and amortization of oil and gas properties	(52,392,000)	(25,554,000)
Net oil and gas properties, at cost, using full cost method	28,974,000	46,456,000
Intangible Assets, net of accumulated amortization of \$327,000 in 2009 and \$595,000 in 2008		
Compressor and tubular inventory to be used in development	4,122,000	1,079,000
Other, net	1,798,000	2,592,000
Other, net	396,000	379,000
Total assets	\$ 52,152,000	\$ 80,560,000
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
Current Liabilities:		
Accounts payable	\$ 569,000	\$ 3,857,000
Revenue distribution payable	643,000	982,000
Other accrued liabilities	633,000	931,000
Income taxes payable	171,000	124,000
Total current liabilities	2,016,000	5,894,000
Long Term Liabilities:		
Deferred income taxes, net	1,958,000	11,117,000
Asset retirement obligation	1,423,000	1,338,000
Total liabilities	5,397,000	18,349,000

Commitments

Stockholders' Equity:

Preferred stock, no par value, 5,000,000 shares authorized,  
none issued

Common stock, \$.10 par value, 20,000,000 shares authorized,  
10,660,000 shares issued