New Concept Energy, Inc.
Form 10-Q
May 15, 2017

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**FORM 10-Q**

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE**

**SECURITIES EXCHANGE ACT OF 1934**

**FOR THE QUARTER ENDED MARCH 31, 2017**

**Or**

¨ **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 000-08187**

**NEW CONCEPT ENERGY, INC.**

**(Exact Name of Registrant as Specified in Its Charter)**

| | |
|---|---|
| **Nevada** | **75-2399477** |
| **(State or Other** | **(I.R.S. Employer** |

**Jurisdiction of** **Identification No.)**

**Incorporation or Organization)**
**1603 LBJ Freeway**

**Suite 300**

**Dallas, Texas**
**(Address of principal executive offices)**
**75234**
**(Zip Code)**
**(972) 407-8400**
**(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: [X 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: [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer £ Accelerated filer £

Non-accelerated filer £ Smaller reporting company R

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

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date.

| | |
|---|---|
| **Common Stock, $.01 par value** | **1,946,935 shares** |
| **(Class)** | **(Outstanding at May 12, 2017)** |

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**NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES**

Index to Quarterly Report on Form 10-Q

Period ended March 31, 2017

## PART I. FINANCIAL INFORMATION

### Item 1. Financial Statements

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(amounts in thousands)

| | March 31, 2017 | December 31, 2016 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | $520 | $113 |
| Accounts receivable from oil and gas sales | 122 | 119 |
| Other current assets | 73 | 206 |
| Total current assets | 715 | 438 |
| Oil and natural gas properties (full cost accounting method) | | |
| Proved developed and undeveloped oil and gas properties, net of depletion | 5,551 | 5,608 |
| Property and equipment, net of depreciation | | |
| Land, buildings and equipment - oil and gas operations | 703 | 706 |
| Other | — | 25 |
| Total property and equipment | 703 | 731 |
| Other assets | 322 | 401 |
| Total assets | $7,291 | $7,178 |

The accompanying notes are an integral part of these consolidated financial statements.

NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS - CONTINUED
(amounts in thousands, except share amounts)

| | March 31, 2017 | December 31, 2016 |
|---|---|---|
| Liabilities and stockholders' equity | | |
| Current liabilities | | |
| Accounts payable - (including $463 and $160 due to related parties in 2017 and 2016) | $526 | $238 |
| Accrued expenses | 53 | 59 |
| Current portion of long term debt | 89 | 96 |
| Total current liabilities | 668 | 393 |
| Long-term debt | | |
| Notes payable less current portion | 293 | 296 |
| Asset retirement obligation | 2,770 | 2,770 |
| Total liabilities | 3,731 | 3,459 |
| Stockholders' equity | | |
| Preferred stock, Series B | 1 | 1 |
| Common stock, $.01 par value; authorized, 100,000,000 shares; issued and outstanding, 1,946,935 shares at March 31, 2017 and December 31, 2016 | 20 | 20 |
| Additional paid-in capital | 58,838 | 58,838 |
| Accumulated deficit | (55,299) | (55,140) |
| Total shareholders' equity | 3,560 | 3,719 |
| Total liabilities & equity | $7,291 | $7,178 |

The accompanying notes are an integral part of these consolidated financial statements.

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NEW CONCEPT ENERGY, INC AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(unaudited)
(amounts in thousands, except per share data)

| | For the Three Months ended March 31, | |
|---|---|---|
| | 2017 | 2016 |
| Revenue | | |
| Oil and gas operations, net of royalties | $195 | $219 |
| Total Revenues | 195 | 219 |
| | | |
| Operating expenses | | |
| Oil and gas operations | 256 | 396 |
| Corporate general and administrative | 100 | 167 |
| Total Operating Expenses | 356 | 563 |
| Operating earnings (loss) | (161) | (344) |
| | | |
| Other income (expense) | | |
| Interest income | 4 | 6 |
| Interest expense | (7) | (11) |
| Other income (expense), net | (8) | (2) |
| Expense | (11) | (7) |
| | | |
| Earns (loss) form continuing operations | (172) | (351) |
| | | |
| Earnings from discontinued operations | 13 | 55 |
| | | |
| Net income (loss) applicable to common shares | $(159) | $(296) |
| | | |
| Net (loss) per common share from continuing operations | $(0.09) | $(0.18) |
| | | |
| Net income per common share from discontinued operations | $0.01 | $0.03 |
| | | |
| Net income (loss) per common share-basic and diluted | $(0.08) | $(0.15) |
| | | |
| Weighted average common and equivalent shares outstanding - basic | 1,947 | 1,947 |

The accompanying notes are an integral part of these consolidated financial statements.

NEW CONCEPT ENERGY, INC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(amounts in thousands)

| | For the Three Months Ended March 31, 2017 | For the Three Months Ended March 31, 2016 |
|---|---|---|
| Cash flows from operating activities | | |
| Net income (loss) | $(159) | $(296) |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities | | |
| Depreciation, depletion and amortization | 148 | 186 |
| Write-off of retirement center assets | 24 | — |
| Changes in operating assets and liabilities | | |
| Other current and non-current assets | 134 | 11 |
| Accounts payable and other liabilities | 282 | 208 |
| Net cash provided by (used) in operating activities | 429 | 109 |
| Cash flows from investing activities | | |
| Investment in undeveloped land | (10) | — |
| Fixed asset additions | (2) | (8) |
| Net cash provided by (used in) investing activities | (12) | (8) |
| Cash flows from financing activities | | |
| Payment on notes payable | (10) | (27) |
| Net cash provided by (used in) financing activities | (10) | (27) |
| Net increase (decrease) in cash and cash equivalents | 407 | 74 |
| Cash and cash equivalents at beginning of year | 113 | 473 |
| Cash and cash equivalents at end of year | $520 | $547 |
| Supplemental disclosures of cash flow information | | |
| Cash paid for interest on notes payable | $7 | $11 |

The accompanying notes are an integral part of these consolidated financial statements.

**NEW CONCEPT ENERGY, INC. AND SUBSIDIARIES**

Notes To Consolidated Financial Statements

**NOTE A: BASIS OF PRESENTATION**

The accompanying unaudited consolidated financial statements include the accounts of New Concept Energy, Inc. and its majority-owned subsidiaries (collectively, "NCE" or the "Company"). All significant intercompany transactions and accounts have been eliminated. Certain reclassifications have been made to the prior year revenue and operating expense amounts in the statement of operations to conform to the current year presentation.

The unaudited financial statements included herein have been prepared by the Company without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. The financial statements reflect all adjustments that are, in the opinion of management, necessary to fairly present such information. All such adjustments are of a normal recurring nature. Although the Company believes that the disclosures are adequate to make the information presented not misleading, certain information and footnote disclosures, including a description of significant accounting policies normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America, have been condensed or omitted pursuant to such rules and regulations.

These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the fiscal year ending December 31, 2016. Operating results for the three month period ended March 31, 2017 are not necessarily indicative of the results that may be expected for any subsequent quarter or for the fiscal year ending December 31, 2017.

**NOTE B: NATURE OF OPERATIONS**

The Company operates oil and gas wells and mineral leases in Athens and Meigs Counties in Ohio and in Calhoun, Jackson and Roane Counties in West Virginia through its wholly owned subsidiaries Mountaineer State Energy, LLC and Mountaineer State Operations, LLC.

Until March 30, 2017 the Company leased and operated a retirement center in King City, Oregon with a capacity of 114 residents. The terms of the lease agreement provided that if the facility was sold to a third party the lease would be terminated. On March 30, 2017 the owners of the facility sold the facility. The operations of the retirement facility have be reflected a discontinued operations.

**NOTE C: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

We consider accounting policies related to our estimates of depreciation amortization and depletion, segments, oil and gas properties, oil and gas reserves, gas gathering assets, office and field equipment, revenue recognition and gas imbalances, leases, revenue recognition for real estate operations, impairment, and sales of real estate as significant accounting policies.  The policies include significant estimates made by management using information available at the time the estimates are made.  However, these estimates could change materially if different information or assumptions were used.  These policies are summarized in our Annual Report on Form 10-K for the year ended December 31, 2016.

**NOTE D: OIL AND GAS RESERVES**

The Company uses the full cost method of accounting for its investment in oil and natural gas properties.  Under this method of accounting, all costs of acquisition, exploration and development of oil and natural gas properties (including such costs as leasehold acquisition costs, geological expenditures, dry hole costs, tangible and intangible development costs and direct internal costs) are capitalized as the cost of oil and natural gas properties when incurred.

The full cost method requires the Company to calculate quarterly, by cost center, a “ceiling,” or limitation on the amount of properties that can be capitalized on the balance sheet.  To the extent capitalized costs of oil and natural gas properties, less accumulated depletion and related deferred taxes exceed the sum of the discounted future net revenues of proved oil and natural gas reserves, the lower of cost or estimated fair value of unproved properties subject to amortization, the cost of properties not being amortized, and the related tax amounts, such excess capitalized costs are charged to expense.

The standardized measure of discounted future net cash flows and changes in such cash flows are prepared using assumptions required by the Financial Accounting Standards Board and the Securities and Exchange Commission.  Such assumptions include a standardized method for determining pricing and require that future cash flow be discounted using a 10% rate. The valuation that results may not represent management’s estimated current market value of proved reserves.

During the past few years the exploration, development and production of natural gas has resulted in an oversupply of natural gas which has resulted in a substantial reduction in the market price. Management of the Company believes that this oversupply will last for some time and does not anticipate an increase in the price we can receive in the market palace. In April 2012 the Company entering into an agreement to fix the price it receives for the sale of its gas. For the five years ended April 2017 the Company will receive $4.53 per MCF.

**NOTE F: CONTINGENCIES**

Carlton Energy Group, LLC

In December 2006, Carlton Energy Group, LLC ("Carlton") instituted litigation against an individual, Eurenergy Resources Corporation ("Eurenergy") and several other entities including New Concept Energy, Inc., which was then known as CabelTel International Corporation (the "Company") alleging tortuous conduct, breach of contract and other matters and as to the Company that it was the alter ego of Eurenergy. The trial judge ruled that the Company was not the alter-ego of Eurenergy however that decision was subsequently reversed by the Court of Appeals. The matter was then appealed to the Texas Supreme Court who determined that the damages had been miscalculated and sent the matter back to the Court of Appeals to determine what the acutual damages should be. At this point the damages according to the courts appear to be in the range of $32 million dollars. We anticipate that the matter will be sent back to the Texas Supreme Court.

Management notes that in connection with the original appeal, the individual defendant deposited alternative security with the Trial Court to supersede the judgment which the court determined to have a value in excess of $56 million. Management believes that the maximum exposure would be in an amount significantly less than the amount on deposit. Accordingly, management believes that any adverse outcome is fully secured by that deposit.

For a discussion of this legal matter see Item: 3 of the Company's Form 10-K for December 31, 2016.

Other

The Company has been named as a defendant in other lawsuits in the ordinary course of business.  Management is of the opinion that these lawsuits will not have a material effect on the financial condition, results of operations or cash flows of the Company.

**NOTE H: NEWLY ISSUED ACCOUNTING STANDARDS**

In February 2016, Accounting Standards Update No. 2016-02 (“ASU 2016-02”), Leases was issued. This new guidance establishes a new model for accounting for leases and provides for enhanced disclosures. ASU 2016-02 is effective for reporting periods beginning after December 15, 2018. The Company is currently evaluating the impact the adoption of this guidance, if any, on its financial position and results of operations.

**NOTE I: SUBSEQUENT EVENTS**

The Company has evaluated subsequent events through May 12, 2017, the date the financial statements were available to be issued, and determined that there are none to be reported.

**Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

**Critical Accounting Policies and Estimates**

The Company’s discussion and analysis of its financial condition and results of operations are based upon the Company’s consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. Certain of the Company’s accounting policies require the application of judgment in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. These judgments and estimates are based upon the Company’s historical experience, current trends and information available from other sources that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The Company's significant accounting policies are summarized in Note B to our consolidated financial statements in our annual report on Form 10-K. The Company believes the following critical accounting policies are more significant to the judgments and estimates used in the preparation of its consolidated financial statements. Revisions in such estimates are recorded in the period in which the facts that give rise to the revisions become known.

**Oil and Gas Property Accounting**

The Company uses the full cost method of accounting for its investment in oil and natural gas properties. Under this method of accounting, all costs of acquisition, exploration and development of oil and natural gas properties (including such costs as leasehold acquisition costs, geological expenditures, dry hole costs, tangible and intangible development costs and direct internal costs) are capitalized as the cost of oil and natural gas properties when incurred.

The full cost method requires the Company to calculate quarterly, by cost center, a "ceiling," or limitation on the amount of properties that can be capitalized on the balance sheet. To the extent capitalized costs of oil and natural gas properties, less accumulated depletion and related deferred taxes exceed the sum of the discounted future net revenues of proved oil and natural gas reserves, the lower of cost or estimated fair value of unproved properties subject to amortization, the cost of properties not being amortized, and the related tax amounts, such excess capitalized costs are charged to expense.

The standardized measure of discounted future net cash flows and changes in such cash flows are prepared using assumptions required by the Financial Accounting Standards Board and the Securities and Exchange Commission. Such assumptions include a standardized method for determining pricing and require that future cash flow be discounted using a 10% rate. The valuation that results may not represent management's estimated current market value of proved reserves.

**Doubtful Accounts**

The Company's allowance for doubtful accounts receivable and notes receivable is based on an analysis of the risk of loss on specific accounts. The analysis places particular emphasis on past due accounts. Management considers such information as the nature and age of the receivable, the payment history of the tenant, customer or other debtor and the financial condition of the tenant or other debtor. Management's estimate of the required allowance, which is reviewed on a quarterly basis, is subject to revision as these factors change.

**Deferred Tax Assets**

Significant management judgment is required in determining the provision for income taxes, deferred tax assets and liabilities and any valuation allowance recorded against net deferred tax assets. The future recoverability of the Company's net deferred tax assets is dependent upon the generation of future taxable income prior to the expiration of the loss carry forwards. At March 31, 2017, the Company had a deferred tax asset due to tax deductions available to it in future years. However, as management could not determine that it was more likely than not that the benefit of the deferred tax asset would be realized, a 100% valuation allowance was established.

**Liquidity and Capital Resources**

At March 31, 2017, the Company had current assets of $715,000 and current liabilities of $688,000.

Cash and cash equivalents at March 31, 2017 were $520,000 as compared to $113,000 at December 31, 2016.

Net cash provided by operating activities was $429,000 for the three months ended March 31, 2017. During the three-month period, the Company had net loss of $159,000.

Net cash used in investing activities was $12,000 for the three months ended March 31, 2017, consisting of the purchase of land and equipment at the Company's oil and gas operations.

Net cash used in financing activities was $10,000 for the three months ended March 31, 2017, consisting of the repayments of loans to a bank.

**Results of Operations**

***Comparison of the three months ended March 31, 2017 to the same period in 2016***

The Company reported a net loss of $159,000 for three months ended March 31, 2017, as compared to net loss of $296,000 for the similar period in 2016.

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For the three months ended March 31, 2017, the Company recorded oil and gas revenues of $195,000 as compared to $219,000 for the comparable period of 2016. The decrease in oil & gas revenue for the three months ended March 31, 2017 was principally due to the production and price the Company received for oil.

For the three months ended March 31, 2017, the Company recorded oil and gas operating expenses of $256,000 as compared to $396,000 for the comparable period of 2016.The decrease was due to a specific effort by management to reduce operation costs. The decrease represents a $28,000 reduction in payroll costs and a reduction in general operating expenses of $38,000.

For the three months ended March 31, 2017, operating expenses at the retirement property were $348,000, as compared to $394,000 for the comparable period in 2016. The decreases were due to a reduction in general operating expenses and depletion.

For the three months ended March 31, 2017, corporate general & administrative expenses were $100,000 as compared to $169,000 for the comparable periods in 2016. The decrease was due to a decrease in payroll expenses of $23,000 as well as other administrative costs.

***Comparison of the three months ended March 31, 2016 to the same period in 2015***

The Company reported a net loss of $296,000 for three months ended March 31, 2016, as compared to net income of $314,000 for the similar period in 2015.

For the three months ended March 31, 2016, the Company recorded oil and gas revenues of $219,000 as compared to $172,000 for the comparable period of 2015. The increase in oil & gas revenue for the three months ended March 31, 2016 was $47,000. The increase is due to the production of more gas in 2016 than 2015. During the first quarter of 2015 there was unusual harsh weather in the areas where the Company maintains its wells. The weather severely hampered the Company’s ability to repair and maintain well equipment as well as limited the pickups of oil from wells that were located in areas that were impossible to reach.

The Company recorded revenues of $677,000 for the three months ended March 31, 2016 from its retirement property compared to $717,000 for the comparable period in 2015. The decrease is due to reduced occupancy at the facility.

For the three months ended March 31, 2016, the Company recorded oil and gas operating expenses of $396,000 as compared to $470,000 for the comparable period of 2015.The decrease was due to a specific effort by management to reduce operation costs. The decrease represents a $41,000 reduction in payroll costs and a reduction in general operating expenses of $38,000.

For the three months ended March 31, 2016, operating expenses at the retirement property were $348,000, as compared to $394,000 for the comparable period in 2015. The decreases were due to a reduction in general operating expenses.

For the three months ended March 31, 2016, corporate general & administrative expenses were $166,000 as compared to $154,000 for the comparable periods in 2015.

**Forward Looking Statements**

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: A number of the matters and subject areas discussed in this filing that are not historical or current facts deal with potential future circumstances, operations and prospects. The discussion of such matters and subject areas is qualified by the inherent risks and uncertainties surrounding future expectations generally, and also may materially differ from the Company's actual future experience involving any one or more of such matters and subject areas relating to interest rate fluctuations, the ability to obtain adequate debt and equity financing, demand, pricing, competition, construction, licensing, permitting, construction delays on new developments, contractual and licensure, and other delays on the disposition, transition, or restructuring of currently or previously owned, leased or managed properties in the Company's portfolio, and the ability of the Company to continue managing its costs and cash flow while maintaining high occupancy rates and market rate charges in its retirement community. The Company has attempted to identify, in context, certain of the factors that it currently believes may cause actual future experience and results to differ from the Company's current expectations regarding the relevant matter of subject area. These and other risks and uncertainties are detailed in the Company's reports filed with the Securities and Exchange Commission ("SEC"), including the Company's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

**Inflation**

The Company's principal source of revenue is rents from a retirement community and fees for services rendered. The real estate operation is affected by rental rates that are highly dependent upon market conditions and the competitive environment in the areas where the property is located. Compensation to employees and maintenance are the principal cost elements relative to the operation of this property. Although the Company has not historically experienced any adverse effects of inflation on salaries or other operating expenses, there can be no assurance that such trends will continue or that, should inflationary pressures arise, the Company will be able to offset such costs by increasing rental rates in its real estate operation.

**Environmental Matters**

The Company has conducted environmental assessments on most of its existing owned or leased properties. These assessments have not revealed any environmental liability that the Company believes would have a material adverse effect on the Company's business, assets or results of operations. The Company is not aware of any such environmental liability. The Company believes that all of its properties are in compliance in all material respects with all federal, state and local laws, ordinances and regulations regarding hazardous or toxic substances or petroleum products. The Company has not been notified by any governmental authority and is not otherwise aware of any material non-compliance, liability or claim relating to hazardous or toxic substances or petroleum products in connection with any of its communities.

## Item 3. Quantitative and Qualitative Disclosures about Market Risk

**Interest Rate Risk**

Nearly all of the Company's debt is financed at fixed rates of interest. Therefore, the Company has minimal risk from exposure to changes in interest rates.

## Item 4. CONTROLS AND PROCEDURES

(a) Based on an evaluation by our management (with the participation of our Principal Executive Officer and Principal Financial Officer), as of the end of the period covered by this report, our Principal Executive Officer and

Principal Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)). Were effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that such information is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, to allow timely decisions regarding required disclosures.

(b) There has been no change in our internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**PART II: OTHER INFORMATION**

**Item 6. Exhibits**

The following exhibits are filed herewith or incorporated by reference as indicated below.

| **Exhibit Designation** | **Exhibit Description** |
|---|---|
| 3.1 | Articles of Incorporation of Medical Resource Companies of America (incorporated by reference to Exhibit 3.1 to Registrant's Form S-4 Registration Statement No. 333-55968 dated December 21, 1992) |
| 3.2 | Amendment to the Articles of Incorporation of Medical Resource Companies of America (incorporated by reference to Exhibit 3.5 to Registrant's Form 8-K dated April 1, 1993) |
| 3.3 | Restated Articles of Incorporation of Greenbriar Corporation (incorporated by reference to Exhibit 3.1.1 to Registrant's Form 10-K dated December 31, 1995) |
| 3.4 | Amendment to the Articles of Incorporation of Medical Resource Companies of America (incorporated by reference to Exhibit to Registrant's PRES 14-C dated February 27, 1996) |
| 3.5 | Bylaws of Registrant (incorporated by reference to Exhibit 3.2 to Registrant's Form S-4 Registration Statement No. 333-55968 dated December 21, 1992) |
| 3.6 | Amendment to Section 3.1 of Bylaws of Registrant adopted October 9, 2003 (incorporated by reference to Exhibit 3.2.1 to Registrant's Form S-4 Registration Statement No. 333-55968 dated December 21, 1992) |
| 3.7 | Certificate of Decrease in Authorized and Issued Shares effective November 30, 2001 (incorporated by reference to Exhibit 2.1.7 to Registrant's Form 10-K dated December 31, 2002) |
| 3.8 | Certificate of Designations, Preferences and Rights of Preferred Stock dated May 7, 1993 relating to Registrant's Series B Preferred Stock (incorporated by reference to Exhibit 4.1.2 to Registrant's Form S-3 Registration Statement No. 333-64840 dated June 22, 1993) |
| 3.9 | Certificate of Voting Powers, Designations, Preferences and Rights of Registrant's Series F Senior Convertible Preferred Stock dated December 31, 1997 (incorporated by reference to Exhibit 2.2.2 of Registrant's Form 10-KSB for the fiscal year ended December 31, 1997) |

| | |
|---|---|
| 3.10 | Certificate of Voting Powers, Designations, Preferences and Rights of Registrant's Series G Senior Non-Voting Convertible Preferred Stock dated December 31, 1997 (incorporated by reference to Exhibit 2.2.3 of Registrant's Form 10-KSB for the fiscal year ended December 31, 1997) |
| 3.11 | Certificate of Designations dated October 12, 2004 as filed with the Secretary of State of Nevada on October 13, 2004 (incorporated by reference to Exhibit 3.4 of Registrant's Current Report on Form 8-K for event occurring October 12, 2004) |
| 3.12 | Certificate of Amendment to Articles of Incorporation effective February 8, 2005 (incorporated by reference to Exhibit 3.5 of Registrant's Current Report on Form 8-K for event occurring February 8, 2005) |

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| | |
|---|---|
| 3.13 | Certificate of Amendment to Articles of Incorporation effective March 21, 2007 (incorporated by reference to Exhibit 3.13 of Registrant's Current Report on Form 8-K for event occurring March 21, 2005) |
| 31.1* | Certification pursuant to Rule 13a-14 and 15d-14 under the Securities Exchange Act of 1934, as amended, of Principal Executive Officer and Chief Financial Officer |
| 32.1* | Certification of Principal Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. §1350 |
| 101 | Interactive data files pursuant to Rule 405 of Regulation S-T. |

*Filed herewith.

**Signatures**

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

New Concept Energy, Inc.

Date: May 15, 2017 By: /s/ Gene Bertcher
Gene S. Bertcher, Principal Executive Officer, President and Chief Financial Officer