Yuma Energy, Inc.
Form 424B5
October 14, 2014

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and accompanying prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED OCTOBER 14, 2014

PRELIMINARY PROSPECTUS SUPPLEMENT Filed Pursuant to Rule 424(b)(5)
(To Prospectus dated November 21, 2013) Registration No. 333-192094

Yuma Energy, Inc.

Shares
% Series A Cumulative Redeemable Preferred Stock
$ Per Share
(Liquidation Preference $25.00 Per Share)

Yuma Energy, Inc. is offering to the public shares of its % Series A Cumulative Redeemable Preferred Stock, which we refer to in this prospectus supplement as the Series A Preferred Stock. This is an original issuance of the Series A Preferred Stock. Our common stock is currently traded on the NYSE MKT under the symbol "YUMA." We will bear all costs associated with the offering.

We will pay monthly cumulative dividends on the Series A Preferred Stock on the 1st day of each calendar month (provided that if any dividend payment date is not a business day, then the dividend which would otherwise have been payable on that dividend payment date may be paid on the next succeeding business day) when, as and if declared by our board of directors. Dividends will accrue from, and including, the date of original issuance at an annual rate of % per annum, based on the $25.00 per share liquidation preference (equivalent to $ per annum per share).

The Series A Preferred Stock will not be redeemable before the third anniversary of the date we initially issue the Series A Preferred Stock, except as described below upon the occurrence of a Change of Control. On or after the third anniversary of the date we initially issue the Series A Preferred Stock we may, at our option, redeem any or all of the shares of the Series A Preferred Stock at $25.00 per share plus any accumulated and unpaid dividends to, but not including, the redemption date. In addition, upon the occurrence of a Change of Control, we may, at our option, redeem any or all of the shares of Series A Preferred Stock within 120 days after the first date on which such Change of Control occurred at $25.00 per share plus any accumulated and unpaid dividends to, but not including, the redemption date. The Series A Preferred Stock has no stated maturity, is not subject to any sinking fund or mandatory redemption and will remain outstanding indefinitely unless we repurchase, redeem or convert it into our common stock in connection with a Change of Control.

The underwriters have an option to purchase a maximum of additional shares of Series A Preferred Stock to cover over-allotments, if any, on the same terms and conditions set forth above within 30 days of the date of this prospectus supplement.

No current market exists for the Series A Preferred Stock. We have applied to list the Series A Preferred Stock on the NYSE MKT, under the symbol "YUMAprA" and we anticipate that our Series A Preferred Stock will be approved assuming that we sell a sufficient number of shares of Series A Preferred Stock to satisfy the minimum listing requirements, and we satisfy all other listing requirements. If the application is approved, trading of the Series A Preferred Stock on the NYSE MKT is expected to begin within 30 days after the date of initial issuance of the Series A Preferred Stock.

The Series A Preferred Stock has not been rated. Investing in the Series A Preferred Stock involves a high degree of risk. You should carefully consider the risks relating to an investment in the Series A Preferred Stock and each of the other risk factors described under "Risk Factors" beginning on page S-16 of this prospectus supplement, on page 2 of the accompanying prospectus, and in our reports filed with the Securities and Exchange Commission, which are incorporated by reference herein, before you make an investment in our securities.

	Per Share	Total (1)
Public Offering Price		
Underwriting discounts		
Proceeds, before expenses, to us		

(1) The underwriters will receive compensation in addition to the underwriting commission. See "Underwriting" beginning on page S-51 of this prospectus supplement for a description of compensation payable to the underwriters.

We expect that the Series A Preferred Stock will be ready for delivery in book-entry form through The Depository Trust Company on or about October , 2014.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS SUPPLEMENT AND THE ACCOMPANYING PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Sole Book-Running Manager
MLV & Co.

Co-Managers

Euro Pacific Capital | Ladenburg Thalmann

Maxim Group LLC | Northland Capital Markets

The date of this prospectus supplement is October , 2014.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts—the first part is this prospectus supplement, which describes the specific terms of this offering of Series A Preferred Stock, and the second part is the accompanying prospectus, which provides more general information about us and the securities registered thereunder, some of which may not apply to this offering. This document also includes those documents and other information incorporated by reference in this prospectus supplement and the accompanying prospectus. This prospectus supplement and the accompanying prospectus are part of a shelf registration statement on Form S-3 (Registration No. 333-192094) that we filed with the Securities and Exchange Commission ("SEC") on November 1, 2013, as part of a shelf registration process, and was declared effective by the SEC on November 21, 2013. Under the shelf registration process, we may offer to sell common stock, preferred stock, warrants and units of Yuma Energy, Inc., from time to time, in one or more offerings, up to $30,000,000 in total aggregate offering price. Generally, when we refer to this prospectus supplement, we are referring to both parts of this document combined, including all documents and other information incorporated by reference herein.

This prospectus supplement, the accompanying prospectus, any free writing prospectus that we have authorized to be distributed to you in connection with this offering, and the documents and other information incorporated by reference herein and therein, include important information about us, the Series A Preferred Stock being offered hereby, and other information you should know before investing in our securities. This prospectus supplement may supplement, update, or change information contained in the accompanying prospectus. To the extent that any statement that we make in this prospectus supplement is inconsistent with statements made in the accompanying prospectus or any documents incorporated by reference therein, the statements made in this prospectus supplement will be deemed to modify or supersede those made in the accompanying prospectus and such documents incorporated by reference therein. We urge you to carefully read this prospectus supplement, including the "Risk Factors," the accompanying prospectus, any free writing prospectus that we authorize to be distributed to you, the information incorporated by reference herein and therein (including the documents described in "Where You Can Find More Information" in both this prospectus supplement and the accompanying prospectus), and any additional information you may need to make your investment decision, before buying any of the securities being offered under this prospectus supplement.

In making your investment decision, you should rely only on the information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus, and any free writing prospectus we have authorized to be distributed to you in connection with this offering. We have not, and the underwriters have not, authorized anyone to provide you with any other information. You should not rely on any unauthorized information or representation. You should assume that the information in this prospectus supplement, the accompanying prospectus, and any free writing prospectus authorized to be distributed by us is accurate only as of the date on the front cover of the applicable document and that any information incorporated by reference in such documents is accurate only as of the date of the document incorporated by reference, regardless of the time of delivery of this prospectus supplement, the accompanying prospectus, or any free writing prospectus or any sale of a security. Our business, assets, financial condition, results of operations, and prospects may have changed since such dates.

All references in this prospectus supplement to "we," "our," "us," the "Company," or "Yuma" refer to Yuma Energy, Inc., a California corporation, and its subsidiaries on a consolidated basis, unless otherwise indicated or the context otherwise requires. All references in this prospectus supplement to "Yuma Co." refer to The Yuma Companies, Inc., a Delaware corporation and wholly-owned subsidiary of the Company, unless otherwise indicated or the context otherwise requires. All references in this prospectus supplement to "Pyramid" refer to the Company prior to the consummation of the merger, unless otherwise indicated or the context otherwise requires.

This prospectus supplement is an offer to sell only the securities offered hereby and only under circumstances and in jurisdictions where it is lawful to do so. We are not making any representation to you regarding the legality of an investment in the Series A Preferred Stock by you under applicable law. You should consult with your own legal advisors as to the legal, tax, business, financial, and related aspects of a purchase of the Series A Preferred Stock.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus contain or incorporate by reference “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical facts contained in this prospectus supplement and the accompanying prospectus are forward-looking statements. These forward-looking statements can generally be identified by the use of words such as “may,” “will,” “could,” “should,” “project,” “intends,” “plans,” “pursue,” “target,” “continue,” “believes,” “anticipates,” “expe “predicts,” or “potential,” the negative of such terms or variations thereon, or other comparable terminology. Statements that describe our future plans, strategies, intentions, expectations, objectives, goals or prospects are also forward-looking statements. These forward-looking statements include, but are not limited to, statements about:

- the potential for us to experience additional operating losses;
- debt costs under our existing credit facility;
- potential limitations imposed by debt covenants under our credit agreement on our growth and our ability to meet our business objectives;
- our ability to meet the financial covenants contained in our credit agreement;
- whether we are able to complete or commence our drilling projects within our expected time frames;
- litigation risks;
- our ability to perform under the terms of our oil and gas leases, including meeting the funding or work commitments of those agreements;
- our ability to successfully acquire, integrate and exploit new productive assets in the future;
- whether we can establish production on certain leases in a timely manner before expiration;
- our ability to recover proved undeveloped reserves and convert probable and possible reserves to proved reserves;
- our experience with horizontal drilling;
- risks associated with the hedging of commodity prices;
- our dependence on third party transportation facilities;
- adverse effects of the national and global economic downturns on our ability to obtain reasonable financing and on the prices of our common and preferred stock;
- the imprecise nature of our reserve estimates;
- drilling risks;
- fluctuating oil and gas prices and the impact on our results from operations;

the need to discover or acquire new reserves in the future to avoid declines in production;

differences between the present value of cash flows from proved reserves and the market value of those reserves;

the existence within the industry of risks that may be uninsurable;

strong industry competition;

constraints on production and costs of compliance that may arise from current and future environmental, Federal Energy Regulatory Commission and other statutes, rules and regulations at the state and federal level;

new regulation on derivative instruments used by us to manage our risk against fluctuating commodity prices;

the impact that future legislation could have on access to tax incentives we currently enjoy;

that no dividends may be paid on our common stock for some time;

the impact of non-cash gains and losses from derivative accounting on future financial results;

risks to non-affiliate stockholders arising from the substantial ownership positions of affiliates;

the junior ranking of our Series A Preferred Stock to our indebtedness;

our ability to pay dividends on our preferred stock;

whether we issue additional shares of preferred stock or additional series of preferred stock;

the limited voting rights held by our preferred stockholders;

the newness of our publicly traded series of preferred stock and its limited trading market;

risks related to our continued listing of our publicly traded series of preferred stock on the NYSE MKT; and

the effect of the change of control conversion feature of our preferred stock on a potential change of control.

These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under “Risk Factors” and elsewhere in this prospectus supplement and the accompanying prospectus. Any forward-looking statement in this prospectus supplement reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, industry and future growth. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future.

Discussions containing these forward-looking statements are also contained in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” incorporated by reference from our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q for the quarters ended since our most recent Annual Report, our Current Reports on Form 8-K, as well as any amendments we make to those filings with the SEC.

SUMMARY

This summary highlights information contained elsewhere or incorporated by reference into this prospectus supplement and accompanying prospectus. Because it is a summary, it does not contain all of the information that you should consider before investing in our securities. You should read this entire prospectus supplement and accompanying prospectus carefully, including the section entitled "Risk Factors" and the documents that we incorporate by reference into this prospectus supplement and the accompanying prospectus, before making an investment decision.

Company Overview

The Company is a U.S.-based oil and gas company focused on the exploration for, and development of, conventional and unconventional oil and gas properties, primarily through the use of 3-D seismic surveys, in the U.S. Gulf Coast and California. The Company has employed a 3-D seismic-based strategy to build a multi-year inventory of development and exploration prospects. The Company's current operations are focused on onshore central Louisiana, where the Company is targeting the Austin Chalk, Tuscaloosa, Wilcox, Frio, Marg Tex and Hackberry formations. In addition, the Company has a non-operated position in the Bakken Shale in North Dakota and operated positions in Kern and Santa Barbara Counties in California. As a result of the transaction described below in "Recent Developments," the Company underwent a substantial change in ownership, management, assets and business strategy, all effective as of September 10, 2014.

For the six months ended June 30, 2014, our net production averaged 2,710 Boe/d, which was 29.3% oil, 58.3% natural gas and 12.4% natural gas liquids, net to our interests in all of our properties. As a result of our oil-weighted development activities, we expect oil production to increase as a percentage of our total production. See "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Quarterly Report on Form 10-Q for the six months ended June 30, 2014 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Current Report on Form 8-K, which are incorporated herein by reference. See "Incorporation of Certain Information by Reference."

Recent Developments

Merger – Change in Management, Control and Business Strategy

On September 10, 2014, a wholly-owned subsidiary of the Company merged with and into Yuma Energy, Inc., a Delaware corporation ("Yuma Co."), in exchange for 66,336,701 shares of common stock and the Company changed its name to "Yuma Energy, Inc." (the "merger"). As a result of the merger, the former Yuma Co. stockholders received approximately 93% of the then outstanding common stock of the Company and thus acquired voting control. Although the Company was the legal acquirer, for financial reporting purposes the merger was accounted for as a reverse acquisition of the Company by Yuma Co.

As part of the merger, Sam L. Banks assumed the role of Chairman and Chief Executive Officer, Michael F. Conlon became President and Chief Operating Officer, and Kirk F. Sprunger became Chief Financial Officer, Treasurer and Corporate Secretary. Our board of directors was reconstituted to include the directors of Yuma Co., Sam L. Banks, James W. Christmas, Frank A. Lodzinski, Ben T. Morris, Richard K. Stoneburner, and Richard W. Volk. Also, as part of the merger, our headquarters were relocated to Houston, Texas.

Bank Credit Agreement

On October 14, 2014, we entered into the Fifth Amendment to our Credit Agreement (the "credit agreement") with Société Générale (the "Bank") which provides for a line of credit until May 20, 2017. Pursuant to the credit agreement, we secured a credit facility (the "credit facility"), which is available to provide financing of up to $44.5 million. The credit agreement is secured by a first lien on substantially all of Yuma Co.'s assets. The credit facility has a $40.0 million conforming borrowing base, with a $4.5 million additional non-conforming borrowing base, providing for a total borrowing base of $44.5 million, and is subject to redetermination on March 1 and October 1 of each year. As of June 30, 2014, the borrowing base was $44.5 million and long-term debt outstanding was $24.78 million. Amounts borrowed under the credit agreement bear interest at either (a) the LIBOR rate plus 2.25% to 3.75% or (b) the prime rate plus 1.25% to 2.75%, depending on the amount borrowed under the credit facility. The credit facility contains a number of covenants that, among other things, restrict, subject to certain exceptions, our ability to incur additional indebtedness, create liens on assets, sell certain assets and engage in certain transactions with affiliates. The credit facility also requires the maintenance of certain financial ratios.

Our Business Strategy and Core Competencies

Since the merger, our new management team has implemented its business strategy designed to:

- Transition existing inventory of reserves into oil and natural gas production;
- Further development and appraisal of existing projects;
- Acquisition of additional working interests within drilling units in existing operated proved undeveloped locations through infield leasing while retaining a greater percentage working interest in, and operatorship of, our projects going forward; and
- Add to project inventory through ongoing prospect generation, exploration and strategic acquisitions.

Our core competencies include generating:

- Unconventional oil resource plays;
- Onshore liquids-rich projects, through the use of 3-D seismic surveys; and
- Identification of high impact deep onshore prospects located beneath known producing trends through the use of 3-D seismic surveys.

Our Key Strengths and Competitive Advantages

Extensive technical knowledge and history of operations in the Gulf Coast region. Since 1983 Yuma Co. or its predecessor has operated in the Gulf Coast region, which is an area that extends through Texas, Louisiana and Mississippi. Our extensive understanding of the geology and experience in interpreting well control, core and 3-D seismic data in this area provides us with a competitive advantage in exploring and developing projects in the Gulf Coast region. We have cultivated amicable and mutually beneficial relationships with acreage owners in this region and adjacent oil and gas operators, which generally provides for effective leasing and development activities.

In-house technical expertise in 3-D seismic programs. We design and generate in-house 3-D seismic survey programs on many of our projects. By controlling the 3-D seismic program from field acquisition through seismic processing and interpretation, we gain a competitive advantage through proprietary knowledge of the project.

Liquids-rich, quality assets with attractive economics. Our reserves and drilling locations are primarily oil plays with associated liquids-rich natural gas. As at December 31, 2013, giving effect to the merger, our proved reserves comprised approximately 56% oil, 31% natural gas and 13% natural gas liquids.

Diversified portfolio of producing and non-producing assets. Our current portfolio of producing and non-producing assets covers a large area within the U.S. Gulf Coast, the Bakken/Three Forks shale in North Dakota and Kern and Santa Barbara Counties in California.

Significant inventory of oil and gas assets. We have a significant inventory of both proved reserves and significant growth assets that we believe can be developed over the near to medium term. In addition, we have the ability to organically generate new oil and gas prospects and projects through techniques utilized by our experienced management team, which include (1) analyzing subsurface data and 2-D seismic data to identify areas where a 3-D seismic survey could be acquired for the generation of oil and gas prospects, (2) negotiating mineral rights with large landowners in prospective areas, and (3) reprocessing of older 3-D seismic surveys utilizing new technology. Once that is determined, the technical team surveys prospective areas for new oil and gas deposits and what methods might be employed to identify those likely locations. In recent years, the predominant method used has been to conduct 3-D seismic surveys. Once a survey has been acquired, the team evaluates the seismic data.

Company operated assets. In order to maintain better control over our assets, we have established a leasehold position comprised primarily of assets where we are the operator. By controlling operations, we are able to dictate the pace of development and better manage the cost, type and timing of exploration and development activities.

Experienced management team. We have a highly qualified management team with an average of approximately 30 years of industry experience, including extensive experience in the Gulf Coast region. Our team has substantial expertise in the design, acquisition, processing and interpretation of new 3-D seismic surveys, and our experienced operations staff allows for efficient turnaround from project identification to drilling to production.

Experienced board of directors. Our directors have substantial experience managing successful public companies and realizing value for investors through the development, acquisition and monetization of both conventional and unconventional oil and gas assets in the Gulf Coast region.

Description of Noteworthy Properties

We are the operator of properties containing approximately 79% of our proved oil and gas reserves. As operator, we are able to directly influence exploration, development and production operations. Our producing properties have reasonably predictable production profiles and cash flows, subject to commodity price fluctuations, and have provided a solid foundation for our technical staff to pursue the development of our undeveloped acreage, further develop our existing properties, and also generate new projects that we believe have the potential to increase stockholder value.

As is common in the industry we participate in non-operated properties on a selective basis; our non-operating participation decisions are dependent on the technical and economic nature of the projects and the operating expertise and financial standing of the operators. The following is a description of our major oil and gas properties.

Greater Masters Creek Field in the Austin Chalk Trend. Our Greater Masters Creek Field properties are located in the Allen, Vernon, Rapides and Beauregard Parishes in West Central Louisiana. We have approximately 76,178 net acres. Our proved reserves in the Greater Masters Creek Field area are predominantly liquids, with oil and natural gas liquids making up 74% of our proved Austin Chalk reserves as of December 31, 2013. Given that the area is an existing field which has previously been developed, there is extensive existing infrastructure available throughout our leases in the Greater Masters Creek Field.

We spudded our second operated Austin Chalk well, the Crosby 14-1, in the Greater Masters Creek Field. This well is located in Section 14 Township 2 South, Range 7 West in Vernon Parish, Louisiana. The Crosby 14-1 was drilled vertically to approximately 15,000 feet to the top of the Austin Chalk formation and then 3,100 feet horizontally in the Austin Chalk pay interval. We expect to have the well on production in November 2014.

La Posada – Bayou Hebert Field. Our La Posada asset is situated on the eastern flank of the Tigre Lagoon Planulina Embayment between Live Oak field and the Avery Island Salt Dome. We have a 12.5% working interest in La Posada, which is an oil and natural gas discovery located in Vermilion Parish, Louisiana. We generated the prospect by utilizing 40 square miles of 3-D seismic data recorded in 2004 targeted over a large lower Miocene structure. The primary objectives were the Lower Planulina Cris R sands, located at a depth of approximately 17,700 to 18,250 feet.

The prospect was successfully tested on the southern portion of the structure by the operator PetroQuest Energy in 2011. The Thibodeaux-1 well was drilled to a total depth of 19,079 feet and logged a net 217 feet of hydrocarbon bearing sand. The well was put on production in March 2012 and has cumulatively produced 21.4 Bcf of natural gas, 397 MBbl of oil and 39 Bbls of natural gas liquids per MMcf of natural gas from all sand intervals.

In 2012, the Broussard-2 well was drilled to a depth of 19,150 feet on the north side of the structure. This well logged a net 328 feet of hydrocarbon bearing sand in the Lower Planulina Cris R-1 and Cris R-2A, B and C sandstones. The well was put on production in September 2012 and has cumulatively produced 28.5 Bcf of natural gas and 495 MBbl of oil.

In 2013, the Broussard-1 well (originally drilled and temporarily abandoned in 2007) was re-entered and sidetracked to the upper Cris R sand as an acceleration well. The Broussard-1 sidetrack was drilled to a depth of 18,035 feet and encountered the upper productive sand. The well was put on production in May 2013 and has cumulatively produced 14.4 Bcf of natural gas and 299 MBbl of oil.

During the first half of 2014, the Bayou Hebert Field (our La Posada prospect discovery) produced at an average rate of 106 MMcf/d of natural gas, 1,900 Bbl/d of oil (plus natural gas liquids), and 2,200 Bbl/d of water. The production facility was designed to handle about 2,500 barrels of water per day. In July 2014, the Broussard No. 2 experienced an increase in water production from approximately 150 Bbl/d to 1,500 Bbl/d. Although the natural gas production from the well was not affected by the increase in water (as it could still produce over 50 MMcf/d) when the water continued to climb, both the Broussard No. 2 and the Thibodeaux No. 1 had to be choked back to avoid overrunning the water treatment capability. The net effect of this curtailment was that the field was down to 45 MMcf/d of natural gas and 850 Bbl/d of oil (plus associated natural gas liquids) in August 2014.

In September 2014, the operator reconfigured some of the production equipment and brought the production up to approximately 53 MMcf/d of natural gas and 1,000 Bbl/d of oil. It has also ordered higher capacity water treatment equipment that is expected to be installed on the production facility in late October 2014. With the installation of this additional equipment, we anticipate the field to be producing between 70 MMcf/d and 75 MMcf/d of natural gas and 1,500 Bbl/d of oil (plus natural gas liquids) starting in November 2014. We also expect that during the first quarter of 2015, the Thibodeaux No. 1 will be recompleted from its current “C” zone to the overlying “B” zone, after which the total production from the field is expected to increase to between 95 MMcf/d and 105 MMcf/d of natural gas and 1,700 Bbl/d to 1,900 Bbl/d of oil (plus natural gas liquids).

Livingston Prospects. South Louisiana has been one of the most prolific oil and gas producing provinces along the U.S. Gulf Coast. Oil and gas production in the vicinity of our Livingston Parish 3-D seismic survey area comes from several reservoirs that range from shallow Miocene sandstones to deep Lower Tuscaloosa sandstones, located in the St. Helena and Livingston Parishes, Louisiana. The primary exploration targets which produce in the region include intermediate depth Eocene Wilcox sandstones and the deeper Lower Tuscaloosa sandstones.

Our in-house team acquired, processed and interpreted the Livingston 3-D seismic survey that covers approximately 138 square miles of an area not previously imaged with a 3-D survey. We have leased 2,784 net acres (8,411 gross acres), and hold an average 33% working interest across the Livingston prospects.

Since acquisition of the 3-D seismic data, we have drilled five exploration wells with four discoveries. Three of the wells targeted the lower Tuscaloosa formation (oil), one well targeted the Wilcox formation (oil), and one well drilled for a shallow Miocene target (gas). Two development wells have also been drilled in the Lower Tuscaloosa as well as one development well in the Wilcox. Currently, three wells are producing from the Lower Tuscaloosa and two wells are producing from the Wilcox. The shallow Miocene discovery proved to be limited in size and was temporarily abandoned. One of the Tuscaloosa discoveries is shut-in due to high water production and is being evaluated for a workover in 2015. The current daily production from all five wells is 458 Bbl/d (net 104 Boe/d). We plan to drill a lower Tuscaloosa prospect in the Livingston 3-D seismic survey area in the first half of 2015.

We drilled our first Wilcox discovery on our Musial Prospect in 2013, the Starns 38-1. It was drilled to a depth of 10,000 feet and completed in the First Wilcox sand, the Starns well has produced 50,000 Bbls of oil and is currently flowing between 100 Bbl/d and 115 Bbl/d. In September 2014, we began producing on the Nettles 39-1, an eastern offset to the Starns 38-1, also from the First Wilcox sand. That well has been flowing oil at rates between 125 Bbl/d and 150 Bbl/d. Plans are being made to drill the third well in this discovery, the Blackwell 39-1. This will be an eastern offset to the Nettles 39-1, and we anticipate drilling to a depth of 10,000 feet in this Wilcox test. We plan to spud that well in mid-November 2014 and, if successful, we intend to have it on production at the end of 2014. Our working interest is 33%.

Bakken – Yellowstone and Southeast Homerun. We currently hold an average 5% non-operated working interest in 18,513 gross acres (965 net acres) across twenty-five (25) 1,280 acre drilling units in McKenzie County, North Dakota. Of the total acreage position, approximately 938 acres (96.2%) are held by production. We hold interests in six producing oil wells and two active salt water disposal wells. All producing wells are located over two fields, Yellowstone and Southeast Homerun. Our interests are currently operated by Zavanna, LLC, and Emerald Oil. Approximately 140 drilling locations remain across our Bakken asset. In addition, significant future infill and Three Forks development upside potential exists as we hold our working interest share over all depths of acreage on the leases.

Amazon 3-D Project. We shot a 70 square mile 3-D seismic survey in 2011 targeting the Frio (Hackberry and Marg Tex/Cib Haz/Camerina objectives) in this prolific producing fairway. The Hackberry is a “bright spot” play for natural gas with rich condensate yields found in stratigraphic traps at depths of approximately 13,000 feet. The Marg Tex/Cib Haz/Camerina objectives are found at depths around 9,000 feet typically in structural traps independent of the underlying Hackberry.

We plan to drill our Anaconda prospect in January 2015. This single well prospect is unique in that it has both Hackberry and Marg Tex objectives. The Hackberry exhibits a “bright spot” on the 3-D seismic the attributes of which are very similar to Hackberry discoveries drilled by Mayne & Mertz, Inc. within a mile of our location. The prospect is located on a structural closure where the Marg Tex interval has produced over 8 BCF from three wells. Our location is updip of those three productive wells and provides a secondary objective in the prospect. Our plan is to take a 25% working interest before casing point and retain a 36.75% working interest at casing point in the well.

Lake Fortuna Field (Raccoon Island). Our legacy producing Lake Fortuna asset was discovered in 1996 in St. Bernard Parish, Louisiana when our 3-D Raccoon Island prospect was drilled. The target was Middle Miocene sand on a known productive structure. In 2005, we acquired the majority of the working interest in Raccoon Island from Amerada Hess, and now own a working interest of 91%. The proved developed producing reserves for the field are 250 MBbl of oil net to our interest.

Chacahoula Field. Our legacy producing Chacahoula asset is a shallow piercement dome located in northern Lafourche Parish, Louisiana. Our acreage position in the Chacahoula asset is held by production and comprises approximately 11 net acres (45 gross acres) at Bolivar and 9 net acres (24 gross) at Point Loma. The total remaining proved reserves for the field are 319 MBbl of oil and 143 MMcf of gas net to our interest.

Chandeleur Block 71. We hold a 30% working interest in the producing Chandeleur Block 71 in St. Bernard Parish, Louisiana, over 348 net acres (1,343 gross acres).

Ringwood Field. We hold an 18.9% working interest in a successful infill development well located in Major County, Oklahoma. The Bertha No. 8-3 was completed in early April 2014 in the Hunton formation at a depth of 8,010 feet at an initial production rate of 150 barrels of oil per day.

Cat Canyon Field. Our asset in Cat Canyon field is located in Santa Barbara County, California. It is a single Monterey producer with 120 acres held by production. We have a 100% working interest. The field is surrounded by Monterey wells drilled from the late 1940's through 1982 on 10 acre spacing. The Monterey is found at a depth of 4,500 feet and is nearly 2,000 feet thick. The wells are drilled vertically, completed naturally (without fracing) and are put on pump immediately. We plan to drill our first operated well on this property in the first half of 2015.

Corporate Information

Yuma Energy, Inc. (formerly Pyramid Oil Company) was incorporated in California on October 9, 1909. Our principal offices are located at 1177 West Loop South, Suite 1825, Houston, Texas 77027, and our telephone number is (713) 968-7000. Our website is www.yumaenergyinc.com. Unless specifically incorporated by reference in this prospectus supplement and the accompanying prospectus, information that you may find on our website, or any other website, is not part of this prospectus supplement or the accompanying prospectus.

Summary Pro Forma Financial Data

The merger was accounted for under the Financial Accounting Standards Board's Accounting Standards Codification Topic 805 which governs transactions that are considered to be reverse acquisitions for accounting purposes. In the merger, the Company was the acquiror for legal purposes, but for accounting purposes, Yuma Co. was deemed to be the acquiror and the Company the acquiree.

The following table shows information about our financial condition and results of operations, including per share data, on a pro forma basis after giving effect to the merger. We refer to this information in this prospectus supplement as pro forma financial information. The table sets forth information relating to the merger as if it had become effective on June 30, 2014 with respect to balance sheet data (using currently available fair value information for Pyramid) and January 1, 2013, with respect to statement of