

Long Run Exploration Ltd. Announces Sale of Non-Core Assets and Provides Capital Guidance for 2013

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CALGARY, ALBERTA -- (Marketwire - Nov. 15, 2012) - [Long Run Exploration Ltd.](#) ("Long Run" or the "Company") (TSX:LRE) is pleased to announce that it has signed a definitive purchase and sale agreement (the "Agreement") to sell certain non-core assets for total cash proceeds of approximately \$180 million, before any closing adjustments.

The non-core assets include the Company's Viking interests located in the Plato / Dodsland / Lucky Hills areas of Saskatchewan. These assets are currently producing approximately 1,900 boe per day (1,800 barrels per day of crude oil and 600 mcf per day of natural gas, based on field estimates). Subject to receipt of all regulatory approvals, the sale is expected to close on or about December 14, 2012. The proceeds from the sale will be used to reduce indebtedness. As a result of this transaction, our anticipated year-end net debt will be approximately \$290 million, including bank debt of approximately \$240 million.

Following the sale of this asset, we anticipate production to be approximately 23,000 boe per day weighted 48% to crude oil and NGLs.

The Board of Directors of Long Run has approved a capital budget for 2013. We anticipate a robust exploration and development program of between \$260 - \$270 million. Our capital plan will focus on the development of key oil resource plays in the Montney zone of the Peace River Arch and in the Viking zone of central Alberta. Exploration initiatives include further delineation of our Duvernay shale resource play, extension of the Triassic oil fairway in the Peace River Arch and initial exploration into our emerging Slave Point oil resource play flanking the Peace River Arch.

As part of our ongoing risk management program, we have recently entered into a number of new financial contracts. Long Run has now hedged approximately 50% of our 2013 forecast production volumes (43% of crude oil and 56% of natural gas). Crude oil is hedged at prices averaging \$92.51 per barrel and natural gas is hedged at an average price of \$3.72 per mcf.

Long Run anticipates releasing on November 26, 2012, an operational update which will include an overview of current operations and more details on our 2013 budget.

Cormark Securities Inc. acted as financial advisor to Long Run on the asset divestiture.

Long Run is a Calgary-based intermediate oil company focused on light-oil development and exploration in western Canada. For further information about Long Run, visit the Company's website at www.longrunexploration.com.

ADVISORIES

Forward Looking Statements:

Certain information regarding Long Run in this news release including management's assessment of future plans and operations, the anticipated closing date and effective date of the disposition of the assets and the use of proceeds therefrom, anticipated production following the disposition, anticipated year-end net debt and bank debt, 2013 capital expenditure budget and nature of expenditures and timing of release of operational update are forward looking statements. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties including, without limitation, risks related to closing of the disposition and satisfaction of the conditions precedent thereto, the effect of the business combination and resulting operations, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, capital expenditure costs, including drilling, completion and facilities costs, unexpected decline rates in wells, wells not performing as expected, delays

resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the timely receipt of any required regulatory approvals; the ability of the Company to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration results; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Company to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; and the ability of the Company to successfully market its oil and natural gas products. Readers are cautioned that the foregoing list of factors and assumptions is not exhaustive. Additional information on these and other factors that could affect Long Run's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), at Long Run's website (www.longrunexploration.com). Furthermore, the forward looking statements contained in this news release are made as at the date of this news release and Long Run does not undertake any obligation to update publicly or to revise any of the included forward looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

BOES:

Disclosure provided herein in respect of barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1; utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

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