

Invicta Energy Corp. Announces Fifth Consecutive Profitable Quarter

21.11.2012 | [CNW](#)

CALGARY, Nov. 21, 2012 /CNW/ - [Invicta Energy Corp.](#) ("Invicta" or the "Company") (TSXV: VCA) is pleased to report its financial and operating results for the three and nine months ended September 30, 2012. Invicta's interim condensed financial statements and related management's discussion and analysis for three months and nine months ended September 30, 2012 have been filed and are available on the SEDAR website at www.sedar.com and may also be obtained on Invicta's website at www.invictaenergy.ca.

HIGHLIGHTS OF THE THIRD QUARTER

- Increased average oil production 49% to 323 bbl/d for third quarter of 2012 from 217 bbl/d in second quarter.
- 150% increase in third quarter average oil production year over year.
- Achieved funds flow from operations of \$1.5 million (\$0.02/share) and earnings of \$0.5 million (\$0.01/share) for the quarter. Year to date funds flow from operations is \$3.4 million (\$0.05/share) and earnings is \$0.9 million (\$0.01/share).
- Achieved top quartile operating netback of \$55.82/boe year to date.
- Commenced the Q3/Q4 drilling program of 11 gross (5.1 net) wells at Lucky Hills. Four of the gross wells were drilled and ready for completion at September 30, 2012.
- On track to achieve exit light oil production of 535 bbl/d for 2012.
- Acquired over 14 sections of land on two Alberta light oil plays.

HIGHLIGHTS

	Three months ended September 30, 2012	Nine months ended September 30, 2011	Three months ended September 30, 2012	Nine months ended September 30, 2011
Operations (unaudited)	4.0	2.2	4.0	2.2
Drilling (unaudited)	15.0	8.2	9.0	5.0
Oil wells (net)	4.0(2.2)	4.0(2.2)	15.0(8.2)	9.0(5.0)

Undeveloped land holdings (net acres) 51,900 35,852 51,900 35,852

Average daily production
Crude oil (bbls/d) 323 129 255 75
Natural gas (mcf/d) 383 92 388 237
Total equivalent (boe/d) 387 145 320 114

Average product prices
Crude oil (Cdn \$/bbl) \$ 81.95 \$ 88.94 \$ 83.33 \$ 89.68
Natural gas (Cdn \$/mcf) \$ 2.14 \$ 3.78 \$ 1.96 \$ 3.75
Total equivalent (Cdn \$/boe) \$ 70.57 \$ 81.88 \$ 68.83 \$ 66.46

Royalties (Cdn \$/boe) \$ 2.40 \$ 4.66 \$ 2.29 \$ 6.26
Production and operating costs (Cdn \$/boe) \$ 12.72 \$ 18.69 \$ 10.72 \$ 17.89
Operating netback(1) (Cdn \$/boe) \$ 55.45 \$ 58.53 \$ 55.82 \$ 42.31

Financial
Petroleum and natural gas revenue 2,512,220 \$ 1,008,530 \$ 5,999,320 \$ 2,084,380
Funds flow from operations (1) 1,477,238 \$ 458,900 \$ 3,423,353 \$ 85,395

Per share - basic and diluted 0.02 \$ 0.01 \$ 0.05 \$ 0.00
 Earnings (loss) 489,477 \$ 114,227 \$ 829,180 \$ (729,757)
 Per share - basic and diluted 0.01 \$ 0.00 \$ 0.01 \$ (0.02)
 Capital expenditures 3,768,326 \$ 3,334,870 \$ 9,586,011 \$ 7,006,951
 Net debt (1) 9,265,490 \$ 2,404,474 \$ 9,265,490 \$ 2,404,474
 Shares outstanding (000) 75,609 54,662 75,609 54,662
 Weighted average shares
 Outstanding (000) 75,609 54,662 75,565 45,985

(1) The term funds flow from operations should not be considered an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with IFRS as an indicator of the Company's performance. Funds flow from operating activities is a non-IFRS measure that represents cash provided by operating activities before changes in non-cash working capital. Per share amounts are calculated using weighted average shares outstanding consistent with the calculation of loss per share. Other industry benchmarks and terms such as net debt and operating netback are not recognized measures under IFRS. Management believes these are useful supplemental measures of, firstly, the total amount of current and long-term debt the Company has, and secondly, the amount of revenues received after the royalties and operating costs. Net debt, which terms represent current assets (excluding unrealized financial instruments) less current liabilities is used to assess efficiency, liquidity and the general financial strength of the Company. Readers are cautioned, however, that these measures should not be construed as an alternative to other terms such as current debt or net earnings in accordance with IFRS as measures of performance. The Company's method of calculating these measures may differ from other companies, and accordingly, may not be comparable to measures used by other companies.

OPERATIONS UPDATE

Kindersley (Lucky Hills), Saskatchewan

Early in the third quarter the Company completed and placed on production four wells from its Q2 program. In September four wells of the Q3/Q4 Kindersley (Lucky Hills) drilling program were drilled. Subsequent to September 30, 2012, an additional six wells were drilled, all at a 100% success rate. The completion and multi-stage fracturing of the majority of these wells commenced after the quarter end due to availability of frac services. Invicta is pleased to report that as of the date of this press release all wells have been completed and placed on production. During 2012, Invicta has drilled a total of 21 gross (11.1 net) wells on this property.

Based on the last 10 wells of its recent drilling program, drilling costs have been reduced as a result of increased efficiencies. Invicta estimates that the all in on-stream costs of these horizontal wells are averaging \$900,000 to \$950,000. The oil production rates of the most recent program have exceeded the Company's forecasted average type curve.

Invicta's two facilities have been expanded in Q3 and an additional one is being constructed to handle the additional production volumes from the recent drilling program. It is anticipated that one additional well will be drilled at 100% working interest prior to year end on lands acquired in Q2. Plans are currently underway for an active Q1/Q2, 2013 program.

Since April, 2012, Invicta has transported up to 60% of its production by rail in order to increase netbacks and mitigate a portion of the current differentials in Edmonton Light to WTI. This process is expected to continue into 2013.

Central Alberta

A total of 14 ¼ sections of land were acquired during Q3 in areas that industry has recently licensed and drilled horizontal Viking oil wells. The Company plans to drill a test horizontal well in Q1 2013 to test the extension of the existing Viking oil play.

OUTLOOK

Invicta is very pleased with the growth we have achieved through Q3 and year to date in 2012. The third quarter results are on target and the Company is on track to meet or exceed the year end exit oil production of 535 bbl/d with added production from the Q3/Q4 11 gross (5.1 net) well drilling program. The Company is forecasting the 2012 annual funds flow per share at \$0.08/share and the annualized Q4 funds flow per share at \$0.12/share. The 2012 capital program was increased to \$16 million due to the acquisition of additional

acreage in Alberta and an increase in the number of wells drilled in the fourth quarter. Based on the recent drilling program, Invicta anticipated being granted the maximum lending value of \$18 million within its existing agreement by year end, or shortly thereafter.

The forecast for 2013 is based on drilling 25 gross (13 net) oil wells at Lucky Hills. The capital program of \$15 million includes drilling two wells in the first quarter on the Company's Alberta oil plays. The \$15 million capital program is forecasted to be funded by funds flow and availability within the Company's credit facility. Due to recent volatility in oil prices and differentials, the Company has based the 2013 forecast on an \$80 CDN realized oil price. Invicta is forecasting average oil production of 620 bbl/d for 2013, a 107% increase year over year, while maintaining a debt to annualized cash flow ratio of less than 1.5:1. The Company looks forward to increasing its forecast and capital budget if market conditions improve, production results at Kindersley continue to exceed type curve, and/or the success of the initial wells in Alberta.

The following table summarizes revised 2012 guidance and the 2013 guidance.

	2012 Guidance	2013 Guidance (1)
Capital Expenditures \$MM	\$16	\$15
Drilling Program Gross (Net) Wells	22 (12)	27 (15)
Avg Oil Production Bbl/d	300	620
Funds Flow \$MM	\$5.7	\$11.7
- Per share	\$0.08	\$0.16
Annualized Q4 Funds Flow \$MM	\$9.1	\$12.4
- Per share	\$0.12	\$0.16
Year End Net Debt \$MM	\$13.1	\$16.6

(1)Based on CDN \$80/bbl realized oil price. A \$1 change in oil price has an estimated \$265,000 (\$0.003/share) impact on the forecasted funds flow for 2013

About the Company

Invicta is a Calgary based, emerging junior oil and gas company exploring and developing light oil opportunities in Saskatchewan and Alberta. The Company's current focus is the development of its Viking resource play in Kindersley, Saskatchewan.

Cautionary Statements:

This press release contains certain forward-looking statements (forecasts) under applicable securities laws relating to future events or future performance. Forward-looking statements are necessarily based upon assumptions and judgements with respect to the future including, but not limited to, the outlook for commodity markets and capital markets, the performance of producing wells and reservoirs, well development and operating performance, general economic and business conditions, weather, the regulatory and legal environment and other risks associated with oil and gas operations. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "projects", "plans", "anticipates" and similar expressions. These statements represent management's expectations or beliefs concerning, among other things, future operating results and various components thereof affecting the economic performance of Invicta. Undue reliance should not be placed on these forward-looking statements which are based upon management's assumptions and are subject to known and unknown risks and uncertainties, including the business risks discussed above, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Accordingly, readers are cautioned that events or circumstances could cause results to differ materially from those predicted.

In the interest of providing Invicta shareholders and potential investors with information regarding the Company, including management's assessment of Invicta's future plans and operation, certain statements throughout this press release constitute forward looking statements. All forward-looking statements are based on the Company's beliefs and assumptions based on information available at the time the assumption was made. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward looking statements. By its nature, such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward looking statements. Invicta believes the expectations reflected in those forward looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward looking statements

contained throughout this press release should not be unduly relied upon. These statements speak only as of the date specified in the statements.

In particular, this press release may contain forward looking statements pertaining to the following:

- the performance characteristics of the Company's oil and natural gas properties;*
- oil and natural gas production levels;*
- capital expenditure programs;*
- the quantity of the Company's oil and natural gas reserves and anticipated future cash flows from such reserves;*
- projections of commodity prices and costs;*
- supply and demand for oil and natural gas;*
- expectations regarding the ability to raise capital and to continually add to reserves through acquisitions and development; and*
- treatment under governmental regulatory regimes.*

The material assumptions in making these forward-looking statements include certain assumptions disclosed in the Company's most recent management's discussion and analysis included in the material available on this press release.

The Company's actual results could differ materially from those anticipated in the forward looking statements contained throughout this press release as a result of the material risk factors set forth below, and elsewhere in this press release:

- volatility in market prices for oil and natural gas;*
- liabilities inherent in oil and natural gas operations;*
- uncertainties associated with estimating oil and natural gas reserves;*
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;*
- incorrect assessments of the value of acquisitions and exploration and development programs;*
- geological, technical, drilling and processing problems;*
- fluctuations in foreign exchange or interest rates and stock market volatility;*
- failure to realize the anticipated benefits of acquisitions;*
- general business and market conditions; and*
- changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry.*

These factors should not be construed as exhaustive. Unless required by law, Invicta does not undertake any obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

Barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet (mcf) of natural gas to one barrel (bbl) of oil is based on an energy conversion method primarily applicable at the burner tip and is not intended to represent a value equivalency at the wellhead. All boe conversions in this press release are derived by converting natural gas to oil in the ratio of six thousand cubic feet of natural gas to one barrel of oil. Certain financial amounts are presented on a per boe basis, such measurements may not be consistent with those used by other companies.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/142952--Invicta-Energy-Corp.-Announces-Fifth-Consecutive-Profitable-Quarter.html>

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