

NuVista Energy Ltd. Announces Non-Core Asset Dispositions and Reconfirms 2014/15 Guidance

12.12.2013 | [Marketwired](#)

CALGARY, ALBERTA--(Marketwired - Dec 11, 2013) - [NuVista Energy Ltd.](#) ("NuVista") (TSX:NVA) is pleased to announce the disposition of non-core assets in its W3/W4 operating areas for gross proceeds of \$30.2 million. This transaction continues to sharpen NuVista's focus on our condensate-rich Wapiti Montney play. The divestiture, coupled with our year-to-date disposition proceeds of \$13.2 million, brings NuVista well within our previously stated annual target range for non-core dispositions of \$25 million to \$50 million.

NuVista has entered into a definitive purchase and sale agreement with a private company for the disposition of these non-core assets. The gross proceeds of \$30.2 million consist of \$25.2 million in cash and a \$5.0 million interest bearing secondary charge debenture with a three year term. The disposition has an effective date of September 1, 2013, an expected closing date of December 18, 2013, and is subject to financing and customary industry closing terms and conditions.

The disposed assets include the Northwest Saskatchewan natural gas area and the West Central Saskatchewan and Provost heavy oil areas. The majority of these assets are characterized by mature shallow dry gas and high watercut heavy oil production. Current production from these assets averages approximately 1,800 Boe/d, comprised of 6.5 MMcf/d of natural gas and 715 Boe/d of heavy oil. With the vast majority of NuVista's capital program going into the Wapiti area and virtually none into the assets being disposed, NuVista has determined that this is an opportune time to continue our successful rationalization strategy by disposing of non-strategic assets and applying the proceeds in Wapiti where we are confident we can achieve much improved rates of return over time. This transaction provides NuVista an exit from our W3/W4 area with the exception of approximately 1,000 Boe/d of heritage assets within the Oyen operating area.

The net proceeds from this transaction will initially be used to reduce outstanding bank debt, then ultimately re-deployed into profitable investment in our Wapiti Montney play. NuVista would like to confirm that its previously announced guidance range for full year 2013 production and funds from operations remain unchanged post this disposition. NuVista expects production for the fourth quarter of 2013 to be within the guidance range of 17,000 Boe/d to 18,000 Boe/d including the effect of the divestiture. 2014 annual production after the effect of this divestiture is expected to be 17,500 Boe/d to 18,500 Boe/d, with fourth quarter 2014 production forecast to be in the range of 20,000 Boe/d to 21,000 Boe/d. This results in fourth quarter 2013 to fourth quarter 2014 pro forma absolute production growth of approximately 25% as previously disclosed, after bringing on the new South Block facilities, which are currently under construction. Our 2014 capital expenditure guidance at this time remains unchanged at \$240 million to \$260 million. With the redeployment of proceeds into the Wapiti area over time, we also confirm there are no changes to our previous production guidance for 2015, where we forecast at some point in the year to exceed 25,000 Boe/d.

These dispositions move NuVista one step further along the ongoing process of significantly sharpening the focus of the company as a condensate-rich Montney resource growth engine. We look forward to providing additional detail on our 2014 production and capital plan and further Montney results in the near future.

ADVISORY REGARDING OIL AND GAS INFORMATION

This news release contains the terms barrels of oil equivalent ("Boe"). Natural gas is converted to a Boe using six thousand cubic feet of gas to one barrel of oil. Boes may be misleading, particularly if used in isolation. The foregoing conversion ratio 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.

NON-GAAP MEASUREMENTS

Management uses funds from operations to analyze operating performance and leverage. Funds from operations as presented, does not have any standardized meaning prescribed by GAAP and therefore it may not be comparable with the calculation of similar measures for other entities. Funds from operations as presented is not intended to represent operating cash flow or operating profits for the period nor should it be viewed as an alternative to cash flow from operating activities, per the statement of cash flows, net earnings (loss) or other measures of financial performance calculated in accordance with GAAP. All references to funds from operations are based on cash flow from operating activities before changes in non-cash working capital and asset retirement expenditures. Funds from operations per share is calculated based on the weighted average number of common shares outstanding consistent with the calculation of net earnings (loss) per share.

ADVISORY REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. The use of any of the words "will", "expects", "believe", "plans", "potential" and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this press release contains forward looking statements with respect to: completion of the proposed disposition and on the timing contemplated; the amount of and use of proceeds and the benefits to be obtained therefrom; future dispositions, NuVista's future strategy, plans, opportunities and operations; forecast production; funds from operations; NuVista's planned capital program and budget; and the anticipated potential of NuVista's asset base. By their nature, forward-looking statements are based upon certain assumptions and are subject to numerous risks and uncertainties, some of which are beyond NuVista's control, including failure to satisfy the closing conditions for the disposition, the impact of general economic conditions, industry conditions, current and future commodity prices, currency and interest rates, anticipated production rates, borrowing, operating and other costs and funds from operations, the timing, allocation and amount of capital expenditures and the results therefrom, anticipated reserves and the imprecision of reserve estimates, the performance of existing and future wells, the success obtained in drilling new wells, the sufficiency of budgeted capital expenditures in carrying out planned activities, competition from other industry participants, availability of qualified personnel or services and drilling and related equipment, stock market volatility, effects of regulation by governmental agencies including changes in environmental regulations, tax laws and royalties; the ability to access sufficient capital from internal sources and bank and equity markets; and including, without limitation, those risks considered under "Risk Factors" in our Annual Information Form. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. NuVista's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements, or if any of them do so, what benefits NuVista will derive therefrom. NuVista disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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<https://www.rohstoff-welt.de/news/162641--NuVista-Energy-Ltd.-Announces-Non-Core-Asset-Dispositions-and-Reconfirms-2014-15-Guidance.html>

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