

Waldron Energy Corporation Announces Termination of Plan of Arrangement With Montana Exploration Corp., Reserves and Operations Update and 2014 Guidance

20.02.2014 | [Marketwired](#)

CALGARY, ALBERTA--(Marketwired - Feb 19, 2014) - [Waldron Energy Corp.](#) ("Waldron" or the "Corporation") (TSX:WDN) announces that the Plan of Arrangement (the "Transaction") with [Montana Exploration Corp.](#) ("Montana") originally announced on July 31, 2013 has been terminated as a result of Montana failing to complete the financings necessary to close the Transaction. The Board of Directors of Waldron thanks the Waldron shareholders for their patience throughout the proposed Transaction and believes the Corporation and its shareholders are now best served by Waldron's continued focus on the development of its quality assets. Waldron exits this sales process in a stronger position in terms of net debt, reserves and cash flow outlook.

Waldron is pleased to announce that its December 31, 2013 total proved and total proved plus probable reserves values and volumes were largely unchanged from its prior year reserve report. The PV10% value of total proved reserves at December 31, 2013 was \$55.2 million compared to \$55.9 million at December 31, 2012. The PV10% value of proved plus probable reserves at December 31, 2013 increased by \$0.9 million to \$86.0 million compared to December 31, 2012. On a volumes basis, December 31, 2013 total proved volumes and proved plus probable volumes of 4.9 MMboe and 10.4 MMboe (32% liquids), respectively, are virtually unchanged from December 31, 2012 reserve volumes of 5.1 MMboe and 10.6 MMboe (26% liquids), respectively. On a total proved basis, the Corporation's one year F&D costs were approximately \$8 per BOE, including changes in future development capital and \$3.8 million in 2013 capital expenditures.

Waldron is also pleased to announce that as a result of completed fourth quarter 2013 and January 2014 private placement equity financings for gross proceeds of \$7.8 million, net debt at January 31, 2014 is estimated to be approximately \$28 million. The private placements were priced at \$0.45 per each common share of Waldron and the current total number of Waldron common shares issued and outstanding is 57.3 million.

The Corporation's lender has completed its borrowing base review and Waldron's borrowing base limit has been set at \$30 million and the next review is expected to occur on June 1, 2014. Additionally, Waldron has entered into a commitment for a \$6 million secured subordinated debt financing that is expected to close by the end of February 2014. This subordinated debt bears a cost of 9.5% per annum and has a term of up to 18 months. The subordinated debt will be used to reduce bank indebtedness, resulting in significant unused capacity on Waldron's senior lender credit facility. The Corporation's first half of 2014 capital program will be funded by cash flow with no expected increase in net debt.

Waldron estimates current production of approximately 1,750 - 1,800 BOE per day plus an additional approximately 160 BOE per day of temporarily shut-in production that is expected to be back on production shortly.

Following up on its success in its Crystal Glauconite and Falher properties, Waldron expects a first half of 2014 capital budget of approximately \$5 - 6 million which will be funded from cash flow from operations. This first half of 2014 capital budget represents the drilling of one Glauconite horizontal well, the placing on production of the previously announced December 2013 Falher oil well at Crystal 16-32-44-3W5 and certain workovers. This is expected to result in first half 2014 average production of approximately 1,950 - 2,050 boe per day (33% liquids), generating an estimated field netback of \$8 - \$9 million and \$6 - \$7 million after G&A and interest. Estimated cash flow from operations is based on realized natural gas pricing of \$4.71 per Mcf, which includes current hedges and estimated March to June 2014 strip pricing of \$4.29 per GJ (\$4.75 per Mcf realized). Additional revenue assumptions include realized NGL pricing of \$55 per bbl and realized oil pricing of \$85 per bbl, inclusive of current hedges. Waldron's capital program can be adjusted based on

actual cash flows.

Waldron expects to spud its first well of 2014 in March by drilling a liquids-rich Glauconite horizontal well (approximately 80 barrels of liquids per Mmcf) at 1-33-44-3W5 in the Crystal area. This well will follow-up the success the Corporation experienced in its Crystal Glauconite horizontal wells it drilled at Crystal 1-28-44-3W5 in late 2011 and Crystal 2-28-44-3W5 in late 2012. Waldron's second half of 2014 capital program will include the drilling of a Falher horizontal well in Ferrybank. If successful, this well has as many as six immediate follow-up horizontal locations on adjacent 100% Waldron owned lands.

The Board of Directors of Waldron continues to believe in the underlying value of Waldron's high quality multi-zone liquids rich deep basin assets and the Corporation has a number of high impact drill-ready locations that it looks forward to exploiting, including an inventory of horizontal liquids-rich gas locations.

Investor Information

Waldron is a Calgary, Alberta based corporation engaged in the exploration, development and production of petroleum and natural gas. The Corporation's common shares are currently listed on the Toronto Stock Exchange under the trading symbol "WDN." Additional information regarding Waldron is available under the Corporation's profile at www.sedar.com or at the Corporation's website, www.waldronenergy.ca.

Forward-Looking and Cautionary Statements

This news release contains forward-looking statements relating to the Corporation's plans and other aspects of the Corporation's anticipated future operations, strategies, financial and operating results and business opportunities. These forward-looking statements may include opinions, assumptions, estimates, management's assessment of value, reserves, future plans and operations.

Forward-looking statements typically use words such as "will", "anticipate", "believe", "estimate", "expect", "intend", "may", "project", "should", "plan", and similar expressions suggesting future outcomes, and include statements that actions, events or conditions "may", "would", "could", or "will" be taken or occur in the future. Specifically, this press release contains forward-looking statements relating to results and timing of operations; the funding of the Corporation's 2014 capital budget; the Corporation's current and 2014 production; whether or not recent industry results and conditions, including natural gas prices and investor interest, are favorable; realized commodity prices in 2014; hedging activities; the completion of the Corporation's Glauconite and Falher wells; whether or not the Corporation achieves guidance; operating costs and netback; the Corporation's net debt at January 31, 2014 and the reduction of net debt; the Corporation's borrowing base limit and the lender's review thereof; the number of horizontal drilling locations and opportunities; and future debt and equity issuances and other corporate and financing initiatives and alternatives. The forward-looking statements are based on various assumptions including the anticipated completion of the subordinated debt financing; the review and revision of the Corporation's bank indebtedness; expectations regarding the success of current or future drill wells, including the Corporation's Glauconite and Falher wells; the outlook for petroleum and natural gas prices; estimated amounts and timing of capital expenditures; estimates of future production; assumptions concerning the timing of regulator and other third party approvals; whether or not proved producing reserves form the borrowing base; the state of the economy and the exploration and production business; results of operations; business prospects and opportunities; future exchange and interest rates; the Corporation's ability to obtain equipment in a timely manner to carry out development activities; and the ability of the Corporation to access capital and credit, including hedging opportunities. While the Corporation considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward-looking statements are subject to a wide range of assumptions, known and unknown risks and uncertainties and other factors that contribute to the possibility that the predicted outcome will not occur, including, without limitation: risks associated with the ability of the parties to satisfy the conditions to closing the subordinated debt financing and the review and revision of the Corporation's bank indebtedness; risks involved in oil and gas exploration, development, exploitation, production, marketing and transportation; loss of markets; volatility of commodities prices; currency fluctuations; imprecision of reserves estimates; environmental risks; competition from other producers; inability to retain drilling rigs and other services; general economic conditions; delays resulting from or inability to obtain required regulatory and other third party approvals; and ability to access sufficient capital from internal and external sources. Readers are

cautioned that the foregoing list of factors is not exhaustive.

Although Waldron believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements and you should not rely unduly on forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by applicable law, Waldron does not undertake any obligation to publicly update or revise any forward-looking statements.

Note Regarding Non-GAAP Measures

Funds from operations, operating netback and net debt are not recognized measures under IFRS as issued by the International Accounting Standards Board ("IASB"). Management believes that in addition to cash flow from operations and net earnings, funds from operations and operating netback are useful supplemental measures as they demonstrate the Corporation's ability to generate the cash necessary to fund future growth through capital investment or repay debt if incurred in future periods. The Corporation uses net debt (bank debt plus negative working capital or less positive working capital, both excluding bank debt) as an alternative measure of outstanding debt and is used as a measure to assess the Corporation's financial position. Investors are cautioned, however, that these measures should not be construed as an alternative to cash flow from operating activities or net earnings determined in accordance with IFRS as an indication of the Corporation's performance or financial position. The Corporation's method of calculating these measures may differ from other entities and, accordingly, they may not be comparable to measures used by other entities. For these purposes, the Corporation defines funds from operations as cash flow from operations before changes in non-cash operating working capital, financing expenditures related to the costs of acquisitions and decommissioning expenditures and defines operating netback as revenue less royalties, operating and transportation expenses. Net debt is defined as current assets less current liabilities.

Note Regarding BOEs

The term barrel of oil equivalent ("boe") may be misleading, particularly if used in isolation. A conversion ratio for gas of 6 mcf:1 boe 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 conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is misleading as an indication of value.

Contact

[Waldron Energy Corp.](#)

Ernie Sapiuha

President & CEO

esapiuha@waldronenergy.ca

[Waldron Energy Corp.](#)

Jeff Kearl

VP Finance & CFO

jkearl@waldronenergy.ca

[Waldron Energy Corp.](#)

Murray Stodalka

EVP Engineering & Operations

mstodalka@waldronenergy.ca

www.waldronenergy.ca

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/166889--Waldron-Energy-Corporation-Announces-Termination-of-Plan-of-Arrangement-With-Montana-Exploration-Corp.-Re>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).