

Lynden Energy Reports Financial Results for the Six Months Ended December 31, 2013

01.03.2014 | [Marketwired](#)

VANCOUVER, Feb 28, 2014 - [Lynden Energy Corp.](#) (TSX VENTURE:LVL) (the "Company") reports its second quarter 2014 results. Highlights for the six months ended December 31, 2013 (the "Current Period"), compared to the six months ended December 31, 2012 (the "Prior Period"), include:

- Total production increased 157% to 294,365 boe (1,598 boe/d)
- Gross revenues, net of royalties, increased 173% to \$16,016,198
- Sale of 12 gross (4.7 net) Wolfberry Project wells, to BreitBurn Energy Partners L.P. for \$19.3 million, effective December 30, 2013. (the "BreitBurn Sale")

Production for the six months ended December 31, 2013 totaled 294,365 boe (1,598 boe/d). Production for the three months ended December 31, 2013 totaled 141,277 boe (1,536 boe/d), a decrease of 8% over production in the three months ended September 30, 2013. Production volumes in November and December 2013 were negatively impacted as a result of suspensions of production due to severe winter weather conditions.

All of the production is attributable to the Wolfberry Project. The production mix, on a percent per boe basis, from the Wolfberry Project is approximately 60% oil and 40% natural gas and associated products.

Financial Results for the 6 months and 3 months ended December 31, 2013

This news release should be read in conjunction with the Company's consolidated financial statements for the six months ended December 31, 2013 and the notes thereto, together with the MD&A for the corresponding period, which are available under the Company's profile on SEDAR at www.sedar.com. All monetary references in this news release are to U.S. dollars unless otherwise stated.

Results of Operations

The Company reported operating earnings of \$18,385,808 for the Current Period compared to operating earnings of \$14,486,807 for the Prior Period. The Company's net earnings of \$12,595,155 and total comprehensive income of \$12,295,936 for the Current Period compared to net earnings of \$10,485,597 and total comprehensive income of \$10,648,864 for the Prior Period. Significant components of the Current Period net earnings were net revenue of \$15,942,860, depletion and depreciation of \$4,716,132 gain on disposition of property, plant and equipment of \$9,937,842 and income tax expense of \$5,780,000.

Petroleum and Natural Gas ("P&NG") Revenue

The Company reported gross P&NG revenues of \$20,888,456 (Prior Period - \$12,243,919) for the Current Period, all from its Wolfberry Project wells. In conjunction with the revenues, the Company reported royalties paid of \$4,872,258 (Prior Period - \$2,964,775) and paid production and operating expenses of \$2,148,810 (Prior Period - \$1,505,529) for the Current Period. The Company also incurred \$4,716,132 (Prior Period - \$3,485,932) of depletion and depreciation for the Current Period. Average realized prices for the Current Period, were \$98 per barrel ("Bbl") of oil and \$4.65 per thousand cubic feet ("Mcf") of natural gas, compared to \$86 per Bbl of oil and \$4.89 per Mcf of natural gas, for the Prior Period. The natural gas selling price is reflective of the thermal value of gas and associated products sold.

The Company also reported gross P&NG revenues of \$9,305,437 for the three months ended December 31, 2013 compared to \$6,202,197 for the three months ended September 30, 2013 ("Q1/2014"). In conjunction with the revenues, the Company reported royalties paid of \$2,174,904 (Q1/2013 - \$1,571,024) and paid production and operating expenses of \$1,154,131 (Q1/2013 - \$834,113) for the three months ended December 31, 2013. Average realized prices for the three months ended December 31, 2013 were \$94 per Bbl of oil and \$4.85 per Mcf of natural gas, compared to \$101 per Bbl of oil and \$4.42 per Mcf of natural gas, for Q1/2014.

Liquidity

The Company has a \$100 million (increased from \$50 million subsequent to December 31, 2013) reducing revolving line of credit. Effective December 31, 2013, the line of credit had a \$25 million borrowing base of which \$12.25 million was outstanding. The amount drawn on the line of credit has decreased from \$29 million at September 30, 2013 primarily as a result of applying a portion of the proceeds of the December 30, 2013 BreitBurn Sale against the outstanding amount.

The Company anticipates financing the majority of its Wolfberry Project capital expenditures through operating revenues, draw downs on the line of credit, and cash on hand at December 31, 2013 of approximately \$14.5 million.

Operations Highlights

The Wolfberry Project

The Company is currently carrying out a rapid oil and gas development program on its Wolfberry Project, where the Company now has 75 gross (31.0 net) wells tied-in and producing. As a result of the BreitBurn Sale, during the three months ended December 31, 2013 there was a net decrease of 4 gross (2.0 net) wells tied into production. At December 31, 2013, the Company had 3 gross (1.27 net) wells spud or drilled awaiting completion and/or tie-in.

The Company's current plans call for 24 gross (9.92 net) Wolfberry Project wells to spud in the balance of calendar 2014 (March 1 to December 31, 2014) at an estimated cost to the Company of \$23.8 million. The Company's funding amount for the 9.92 net wells is equivalent to 11.34 wells. The gross cost of a Wolfberry well is currently approximately \$2.1 million.

The Company's capital budget is subject to change depending upon a number of factors, including economic and industry conditions at the time of drilling, prevailing and anticipated prices for oil and gas, the availability of sufficient capital resources for drilling prospects, the Company's financial results and the availability of lease extensions and renewals on reasonable terms.

Mitchell Ranch Project

The Company's Mitchell Ranch project covers approximately 102,000 acres of P&NG leases located primarily in Mitchell County, West Texas where the Company has a 50% working interest in approximately 67,000 acres, and a 1.25% overriding royalty interest on approximately 35,000 acres subject to a term assignment with a large, independent exploration and production company.

The Company currently has one (0.5 net) producing well, the Spade 17#1, where several rounds of completions have been carried out. During the Current Period, the Company received \$46,829 of net revenue from sales from the Spade 17#1 well. The most recent completion was carried out in mid-February 2014. The results from this completion are pending. The Mitchell Ranch Project is in the exploration and evaluation stage and as such, the net revenues have been credited to capitalized costs.

As a result of significant new drilling activity in the general area around the Mitchell Ranch Project, the timing of the new wells has been pushed out in order to best incorporate the results of other operators into the development plan on the Mitchell Ranch Project. The Company has participated in a seismic shoot over a portion of the ranch as a preparatory step for a new well program. Initial processing and interpretation of the new seismic data and of the existing seismic data covering much of the ranch is expected in early 2014.

About Lynden

[Lynden Energy Corp.](#) is in the business of acquiring, exploring and developing petroleum and natural gas rights and properties. The Company has various working interests in the Wolfberry Project and Mitchell Ranch Project, located in the Permian Basin in West Texas, USA.

NI 51-101 requires that we make the following disclosure: we use oil equivalents (boe) to express quantities of natural gas and crude oil in a common unit. A conversion ratio of 6 mcf of natural gas to 1 barrel of oil is used. Boe may be misleading, particularly if used in isolation. The 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.

FORWARD-LOOKING STATEMENTS DISCLAIMER: This news release contains forward-looking statements. The reader is cautioned that assumptions used in the preparation of such statements, although considered accurate at the time of preparation, may prove incorrect, and the actual results may vary materially from the statements made herein. Expectations of spudding 24 gross (9.92 net) Wolfberry Project wells from March 1, 2014 to December 31, 2014, and expected timelines relating to oil and gas operations, are subject to the customary risks of the oil and gas industry, and are subject to the company having sufficient cash to fund the drilling and completion of these wells. For a more detailed description of these risks, and others, see <http://lyndenenergy.com/risk-factors>

ON BEHALF OF THE BOARD OF DIRECTORS, LYNDEN ENERGY CORP.

Colin Watt
President and CEO

Contact

[Lynden Energy Corp.](#)
Colin Watt, President and CEO
(604) 629-2991
(604) 602-9311
www.lyndenenergy.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/167672--Lynden-Energy-Reports-Financial-Results-for-the-Six-Months-Ended-December-31-2013.html>

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 -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).