

Traverse Energy Announces 2013 Year End Results

15.04.2014 | [Marketwired](#)

CALGARY, ALBERTA -- (Marketwired - April 15, 2014) - [Traverse Energy Ltd.](#) ("Traverse" or "the Company") (TSX VENTURE:TVL) presents financial and operating results for the year ended December 31, 2013.

Three Months Ended		Year Ended December 31			
December 31 (unaudited)	2013	2012	2013	2012	
Highlights	2013	2012	2013	2012	
Financial (\$ thousands, except per share amounts)					
Petroleum and natural gas revenue			\$ 3,341	\$ 1,588	\$ 10,796
\$ 4,600					
Royalty income	714	964	3,877	3,322	
Cash provided by operations		2,723	1,815	10,594	5,209
Funds from operations (1)		1,958	1,779	9,914	5,588
Per share - basic and diluted		0.04	0.04	0.20	0.13
Net income (loss)	27	(3,255)	3,245	(2,828)	
Per share - basic and diluted		0.00	(0.07)	0.07	(0.07)
Capital expenditures, net of dispositions			5,482	2,158	
14,875	8,111				
Total assets	32,126	19,450	32,126	19,450	
Working capital	2,430	3,083	2,430	3,083	
Common shares					
Outstanding (millions)		53.5	47.1	53.5	47.1
Weighted average (millions)		50.3	44.9	48.7	43.3
Operations (Units as noted)					
Production (BOE/d)	787	545	680	405	
Natural gas (Mcf per day)		1,666	1,362	1,569	957
Oil and NGL (bbls per day)		509	318	419	245
Average sales price					
Natural gas (\$/Mcf)	3.50	3.35	3.44	2.65	
Oil and NGL (\$/bbl)	75.16	72.90	83.11	77.90	
Operating netback (\$/BOE) (2)					
Petroleum and natural gas revenue			57.75	45.95	56.97
49.04					
Realized gain on financial derivatives			0.34	0.00	0.19
0.00					
Royalties	8.36	2.95	6.16	3.19	
Operating and transportation costs			12.66	13.80	11.67
13.13					
Working interest netback		37.07	29.20	39.33	32.72
Royalty netback	49.22	61.94	65.95	61.07	
Operating netback	39.51	39.36	45.64	43.13	

(1) Funds from operations is calculated as cash provided by operating activities before changes in non-cash working capital and settlement of decommissioning obligations. Funds from operations does not have a standardized measure prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other companies.

(2) Operating netback equals petroleum and natural gas revenue, royalty income and realized gain on financial derivatives, less royalties, operating and transportation costs and is calculated on a per unit basis. Working interest netback is calculated as petroleum and natural gas revenue and realized gain on financial derivatives less royalties, operating and transportation costs and is calculated on a per unit basis. Royalty netback is royalty income and is calculated on a per unit basis. Operating netback, working interest netback and royalty netback do not have a standardized measure prescribed by IFRS and therefore may not be comparable with the calculation of similar measures by other companies.

Reserves Highlights

Traverse has released the results of an independent reserves evaluation effective December 31, 2013. The report was completed by Sproule Associates Ltd. ("Sproule") and was prepared in accordance with National Instrument 51-101. Detailed reserves information is included in Traverse's Annual Information Form for the year ended December 31, 2013 which is available for review on SEDAR at www.sedar.com. The summary information that follows has been derived from that evaluation.

- Company interest proved plus probable reserves of 1,910.4 MBOE - 57% year over year growth
- Company interest proved reserves of 1,447.2 MBOE - a 67% increase year over year
- Company interest proved developed producing reserves represent 89% of total proved reserves
- Company interest proved reserves constitute 76% of total reserves

Summary of oil and gas reserves

Oil and NGL Oil Equivalent		Natural Gas		Oil Equivalent		
Gross(1)	Net(2)	Gross(1)	Net(2)	Gross(1)		
Net(2)	Company interest(3)					
Reserve Category (MBOE)	(MBOE)	(Mbbbl)	(Mbbbl)	(MMcf)	(MMcf)	(MBOE)
Proved Developed Producing		512.9	548.8	1,870	2,493	
824.5	964.3	1,282.2				
Proved Developed Non-producing		74.3	55.0	952	843	
233.0	195.4	87.5				
Proved Undeveloped		3.4	33.2	76	254	16.1
75.6	77.5					
Total Proved	590.5	637.0	2,898	3,589	1,073.5	
1,447.2						
Probable	168.9	187.0	904	1,254	319.6	396.0
462.8						
Total Proved plus Probable		759.4	824.1	3,802	4,844	
1,393.1	1,631.3	1,910.4				

1. Gross reserves are Traverse's working interest share before deduction of royalties and without including any over-riding royalty interest of Traverse.

2. Net reserves are Traverse's working interest share after deduction of royalty obligations, plus Traverse's over-riding royalty interest in reserves.

3. Company interest reserves are Traverse's working interest share before deduction of royalties plus Traverse's over-riding royalty interest in reserves.

Summary of net present value of future net revenue as of December 31, 2013

Value Before Income Taxes Discounted at (%/Year) (1)					
Reserve Category	0				
(M\$)	5				
(M\$)	10				
(M\$)					
Proved Developed Producing		47,665	38,577	33,014	
Proved Developed Non-producing (2)		5,132	4,532		
4,059					
Proved Undeveloped (2)		3,882	2,701	2,087	
Total Proved (2)	56,680	45,809	39,160		
Probable	20,275	12,376	8,734		
Total Proved plus Probable (2)		76,955	58,185	47,893	

1. Sproule forecast prices at December 31, 2013.

2. Includes future development capital of \$1.5 million (undiscounted).

Operations Review

In 2013 Traverse participated in the drilling of 9 net wells (100% working interest) resulting in 6 oil wells and 3 dry holes. In the Coyote area of East Central Alberta, Traverse drilled 7 wells resulting in 6 oil wells and 1 dry hole which will be converted to a water disposal well. The first well drilled in March was placed on production in June, 2013. The 6 additional wells were drilled in the second half of the year, 3 wells were brought on stream by year end and 2 wells were placed on production in the first quarter of 2014. Additional activities at Coyote included land acquisition, 2 and 3D seismic purchase and shooting and the construction of well site and initial production facilities.

In the Turin area 2 net wells were drilled in March, 2013 on the east side of the property resulting in 2 dry and abandoned wells. Production during the third quarter at Turin was interrupted by a five-week shutdown of a third party owned natural gas pipeline which transports Traverse's natural gas to market. During the shutdown Traverse tested and confirmed the integrity of the pipeline. Traverse subsequently purchased an interest in the pipeline, assumed operatorship of the pipeline, and resumed production. In the Brazeau area of west central Alberta, Traverse has a gross overriding royalty interest in 10 sections of land (6,400 acres). A total of 21 horizontal Cardium wells are producing on the property. At December 31, 2013 Traverse's undeveloped landholdings, all within Alberta, totalled 172,600 gross (168,000 net) acres with an average working interest of 97%.

In the first quarter of 2014 the Company (100%) drilled 5 wells. Two wells were drilled at Turin resulting in 1 gas well and 1 oil well. The wells at Turin are in the process of being tied in and the Company is planning to install gas compression at its Turin facility in the second quarter. This compression will allow for additional natural gas production from several shut in gas wells and increase the solution gas volumes produced with the oil production. In the Coyote area Traverse drilled 2 wells and re-entered an existing wellbore. The Company also drilled an initial well in the Michichi area on Company owned lands. All of these wells are in various stages of evaluation with additional production testing and tie ins planned beginning in the second quarter. The Company is planning a battery expansion commencing in the second quarter to accommodate additional oil and gas volumes in the area.

On February 28, 2014 Traverse received a notice from the Alberta Energy Regulator ("AER") to partially suspend production at a producing oil battery in the Coyote area of East Central Alberta ("Coyote Battery") until the Company is able to conserve the solution gas which the Company had been flaring. The Coyote Battery is currently composed of three producing oil wells. The partial suspension commenced March 4, 2014. The Company is undertaking minor modifications to the Coyote Battery as requested by the operator of a nearby gas plant so that the plant can begin accepting Traverse's solution gas. Solution gas deliveries to the plant were initially anticipated to begin in late March or early April but are now anticipated to begin in May 2014 after the completion of the Coyote Battery modifications and the approval of those modifications by the gas plant operator. Until that time the Company continues to produce oil at the Coyote Battery but solution gas being flared is reduced by 75% from previous volumes. Traverse estimates that approximately 60 barrels of oil per day is producing within the AER guidelines resulting in an estimated cutback in production from the Coyote Battery of approximately 140 barrels of oil per day.

In March 2014 the Company completed a bought deal financing for gross proceeds of \$11.5 million. As a result, the Board of Directors approved an increase to the exploration and development budget to \$25 million. The program includes the drilling of 15 wells on Company owned lands in the Coyote and Turin areas and on other properties located in east central Alberta.

Non-IFRS measures

Funds from operations

Funds from operations is a measure not defined in IFRS that is commonly used in the oil and gas industry. Funds from operations is calculated as cash provided by operating activities before non-cash working capital and settlement of decommissioning obligations as detailed under the heading "Cash and funds from operations and net income (loss)" within the Company's management's discussion and analysis for the year ended December 31, 2013. The Company believes that in addition to net income (loss), funds from operations is a useful supplemental measure as it provides an indication of Traverse's operating performance. Funds from operations should not be considered as an alternative to or more meaningful than cash provided by operating activities as determined in accordance with IFRS. Traverse's determination of funds from operations may not be comparable to that reported by other companies. Traverse also presents funds from operations per share whereby share amounts are calculated using weighted average shares

outstanding consistent with the calculation of income per share.

Operating netback

Management uses certain industry benchmarks such as operating netback to analyze financial and operating performance. This benchmark as presented does not have any standardized meaning prescribed by IFRS and therefore may not be comparable with the calculation of similar measures for other entities. Operating netback reflects petroleum and natural gas revenue, royalty income and realized gain on financial derivatives less royalties, operating and transportation costs and is calculated on a per unit basis. Working interest netback is calculated as petroleum and natural gas revenue and realized gain on financial derivatives, less royalties, operating and transportation costs and is calculated on a per unit basis. Royalty netback is royalty income and is calculated on a per unit basis. The calculation of Traverse's netbacks is detailed under the heading "Operating netback" within the Company's management's discussion and analysis for the year ended December 31, 2013.

BOE equivalent

Unless otherwise stated, the volume conversion of natural gas to barrel of oil equivalent (BOE) is presented on the basis of 6 thousand cubic feet of natural gas being equal to 1 barrel of oil. This conversion ratio is based upon an energy equivalent conversion method primarily applicable at the burner tip and does not represent value equivalence at the wellhead. BOE figures may be misleading, particularly if used in isolation.

Forward-looking information

This news release contains forward-looking information which is not comprised of historical fact. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information in this news release includes: the volumes and estimated value of Traverse's oil and gas reserves, plans to install gas compression at the Turin facility; additional production testing and tie ins planned beginning in the second quarter; the planned battery expansion at Coyote; timing for delivery of solution gas to a third party gas plant from oil production at the Coyote battery; anticipated impact to production as a result of partial suspension of production at the Coyote battery pending commencement of deliveries of solution gas to the third party gas plant and statements with respect to the drilling program for 2014. This forward looking information is subject to a variety of substantial known and unknown risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward looking information. The Company's Annual Information Form filed on April 15, 2014 with securities regulatory authorities (accessible through the SEDAR website www.sedar.com) describes the risks, material assumptions and other factors that could influence actual results and which are incorporated herein by reference.

Although the Company believes that the material assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur. The Company disclaims any intention or obligation to update or review any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

Further details on the Company including the 2013 year end audited financial statements, the related management's discussion and analysis and Annual Information Form are available on the Company's website (www.traverseenergy.com) and SEDAR.

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

CONTACT INFORMATION

[Traverse Energy Ltd.](http://www.traverseenergy.com)

Laurie Smith, President and CEO

403.264.9223

403.264.9558 (FAX)

www.traverseenergy.com

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/171064--Traverse-Energy-Announces-2013-Year-End-Results.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](#).