Lynden Energy Reports Financial Results for the Nine Months Ended March 31, 2014

30.05.2014 | Marketwired

VANCOUVER, May 30, 2014 - Lynden Energy Corp. (TSX VENTURE:LVL) (the "Company") reports its third quarter 2014 results. Highlights for the nine months ended March 31, 2014 (the "Current Period"), compared to the nine months ended March 31, 2013 (the "Prior Period"), include:

- Total production increased 143% to 404,889 boe (1,478 boe/d)
- Gross revenues, net of royalties, increased 159% to $21,692,901
- Sale of 12 gross (4.7 net) Wolfberry wells, to BreitBurn Energy Partners L.P. for $19.3 million, effective December 30, 2013.
- Mitchell Ranch Project returned to its original 104,000 acre size (50% working interest)

Production for the nine months ended March 31, 2014 totaled 404,889 boe (1,478 boe/d). Production for the three months ended March 31, 2014 totaled 107,249 boe (1,192 boe/d), a decrease of 25% over production in the three months ended December 31, 2013. Production volumes in the three months ended March 31, 2014 have decreased primarily as a result of the sale of producing wells to BreitBurn on December 30, 2013.

An active Wolfberry drilling program in the three months ended March 31, 2014 has resulted in significant production growth with oil and gas produced at the wellhead from the Company's Wolfberry wells over the past fourteen days averaging in excess of 1,150 barrels of oil equivalent net to the Company (after the deduction of royalties).

Financial Results for the 9 months and 3 months ended March 31, 2014

This news release should be read in conjunction with the Company's consolidated financial statements for the nine months ended March 31, 2014 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 net earnings of $14,884,187 (Prior Period - $11,108,632) and total comprehensive income of $14,128,040 (Prior Period - $11,255,571) for the Current Period. Significant components of the Current Period net earnings were revenues of $21,622,461; gain on disposition of property, plant and equipment of $10,214,019; depletion and depreciation of $6,805,452; and income tax expense of $5,636,044. The Company's fully diluted net earnings per common share for the Current Period was $0.12 (Prior Period - $0.10).

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

The Company reported gross P&NG revenues of $28,307,375 (Prior Period - $18,010,917) for the Current Period, all from its Wolfberry wells. In conjunction with the gross revenues, the Company reported royalties paid of $6,614,474 (Prior Period - $4,401,937) and paid production and operating expenses of $3,495,018 (Prior Period - $2,372,429) for the Current Period. The Company also incurred $6,805,452 (Prior Period - $5,301,519) of depletion and depreciation for the Current Period. Average realized prices for the Current Period were $96 per barrel ("Bbl") of oil and $5.08 per thousand cubic feet ("Mcf") of natural gas, compared to $86 per Bbl of oil and $4.77 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 reported gross P&NG revenues of $7,418,919 for the three months ended March 31, 2014 ("Q3/2014") compared to $5,766,998 for the three months ended March 31, 2013 ("Q3/2013"). In conjunction with the gross revenues, the Company reported royalties paid of $1,742,216 (Q3/2013 - $1,437,162) and paid production and operating expenses of $1,346,208 (Q3/2013 - $866,900) for Q3/2014. The Company also incurred $2,089,320 (Q3/2013 - $1,815,587) of depletion and depreciation for Q3/2014. Average realized prices for Q3/2014 were $93 per Bbl of oil and $6.46 per Mcf of natural gas, compared to $87 per Bbl of oil and $4.56 per Mcf of natural gas for Q3/2013.

Liquidity

The Company has a $100 million reducing revolving line of credit. Effective March 31, 2014, the line of credit had a $25 million borrowing base. There is currently $15.75 million drawn on the line of credit. The Company has received conditional approval to an increase in the borrowing base to an amount of $32 million, subject to the completion of customary documentation and title review by June 30, 2014.

Total anticipated capital expenditures for the balance of calendar 2014 (June 1 to December 31, 2014) are anticipated to be $18.4 to $19.4 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 and the Company's financial results.

The Company anticipates financing the majority of its capital expenditures through operating revenues, draw downs on the line of credit, and cash on hand at March 31, 2014 of approximately $12.8 million.

Operations Highlights

Midland Basin - Vertical Well Development

The Company continues to carry out a rapid oil and gas vertical well development program on its Midland Basin acreage, and the Company now has 85 gross Wolfberry (34.55 net) wells tied-in and producing. Production of oil and gas at the wellhead from the wells over the past fourteen days has averaged in excess of 1,150 barrels of oil equivalent net to the Company (after royalties).

The Company's current plans call for 12 gross (4.93 net) Wolfberry wells to spud in the balance of calendar 2014 (June 1 to December 31, 2014).

Midland Basin - Horizontal Well Development

The Company's Midland Basin acreage also has potential to be developed with horizontal wells. Numerous industry participants are actively testing various formations within the Wolfberry interval for their development potential. On May 1, 2014, the Company reported that its first horizontal well, the Wolcott 253-1H, had been spud on a 1,127 acre lease in northern Martin County, West Texas. The well had a targeted lateral length of approximately 6,200 feet and is being operated by a Midland, Texas based company (the "Operator"). The well is targeting the Wolfcamp "B" horizon, which has been successfully tested in horizontal wells by several companies in the Midland Basin, including the Operator.

As of the date of this report, the well has been successfully drilled and cased, and is currently waiting on completion. The Company currently anticipates an additional horizontal well will be spud on the lease prior to December 31, 2014.

Mitchell Ranch Project

The Company's Mitchell Ranch project covers approximately 104,000 acres of P&NG leases located primarily in Mitchell County, West Texas. In July 2011, the Company and its working interest partner completed a term assignment with a large, independent exploration and production company, covering approximately 35,000 acres of the 104,000 acre Mitchell Ranch Project, located generally in the southern portion of the ranch. On March 31, 2014, the term assignment acreage was returned to the Company and its working interest partner.

The Company has a 50% working interest in the approximately 104,000 acres of the Mitchell Ranch Project.

The Company currently has one (0.5 net) producing well on the Mitchell Ranch Project, the Spade 17 #1, where several rounds of completions have been carried out. The most recent completion was carried out in mid-February 2014. Initial results have indicated that a Wolfcamp zone productive in wells to the immediate north-west of the Mitchell Project acreage is also present and prospective in and around the area of the Spade 17 #1.

During the Current Period, the Company received $76,109 of net revenue from sales from the Spade 17#1 well. The Mitchell Ranch Project is in the exploration and evaluation stage and as such, the net revenues have been credited to capitalized costs.

Four new wells are scheduled to be spud over the next several months, with the first well expected to spud imminently. The wells are expected to be in general proximity to the Company's Spade 17 #1 well. The new well program will incorporate the results of a recent 3D seismic program that has identified multiple pay opportunities in the Ellenburger, Mississippian Chert, Pennsylvanian Limestone, Cline Shale and Wolfcamp.

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 Permian Basin in West Texas, USA and in the Paradox Basin, located in the State of Utah, 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 12 Wolfberry wells, 1 Midland Basin horizontal well, and 4 Mitchell Ranch Project wells from June 1 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. Expectations of obtaining upward borrowing base revisions on the line of credit are subject to the customary risks of the oil and gas industry, and are subject to drilling and completing successful wells, and prevailing and anticipated prices for oil and gas, as well as being at the discretion of the lender. For a more detailed description of these risks, and others, see www.lyndenenergy.com/risk-factors/

ON BEHALF OF THE BOARD OF DIRECTORS, Lynden Energy Corp.

Colin Watt
President and CEO

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