

Blackbird Energy Inc. Announces Third Quarter 2018 Record Financial and Operating Results

27.06.2018 | [GlobeNewswire](#)

CALGARY, Alberta, June 26, 2018 (GLOBE NEWSWIRE) -- (TSX-V:BBI) [Blackbird Energy Inc.](#) ("Blackbird" or the "Company") is pleased to announce record financial and operational results for the quarter ended April 30, 2018. Blackbird's unaudited condensed consolidated interim financial statements and related management's discussion and analysis for the quarter ended April 30, 2018 are available on SEDAR at [www.sedar.com](#) and are also posted on Blackbird's website at [www.blackbirdenergyinc.com](#).

"This was another exceptional quarter for Blackbird. We achieved record quarterly revenue of \$6.4 million on the back of strong condensate pricing and a corporate liquids weighting of 56%. Our development north of the Wapiti River is expected to commence in August. This next leg of development will allow Blackbird to graduate to an intermediate producer, and will continue to unlock the value of our significant condensate rich resource in the Pipestone / Elmworth Montney Corridor," said Garth Braun, President, CEO and Chairman of Blackbird.

Highlights

- Record Revenue: Blackbird is pleased to report a record \$6.4 million (\$49.81/boe) of petroleum and natural gas sales for the three months ended April 30, 2018. These results were achieved with the Company producing for approximately 70% of the quarter due to third-party natural gas processing shut-downs.
- Corporate Production: During the three months ended April 30, 2018, the Company achieved corporate production of 2,081 boe/d (56% liquids) for the 62 days it was on production. Total production averaged 1,447 boe/d on a calendar day basis for the three months, with volumes being impacted by approximately 27 days of unscheduled third-party downtime.
- Operating and Corporate Netback: Blackbird's operating and corporate netback was \$27.28/boe and \$18.80/boe, respectively, for the third quarter of 2018, which Management believes compares favorably with industry leaders in the basin.
- Adjusted Funds Flow: The Company generated \$2.4 million of adjusted funds flow during the three months ended April 30, 2018.
- Balance Sheet Strength Maintained: Blackbird remains well capitalized, and between its credit facility capacity (which was expanded during the quarter from \$1.0 million to \$20.0 million) and working capital surplus the Company had approximately \$24.6 million of available funding at April 30, 2018.

See below for a summary table containing certain financial and operational figures:

By the Numbers – Q3 2018

(CDN\$ thousands, except where otherwise noted)	Three months ended April 30			Nine months ended April 30		
	2018	2017	% Change	2018	2017	% Change
Financial⁽¹⁾						
Petroleum and natural gas sales	6,414	3,312	94	15,032	3,437	337
Cash provided by (used in) operating activities	2,811	(1,122)	351	4,233	(4,084)	204
Net loss and comprehensive loss	(47)	(1,500)	(97)	(3,489)	(7,436)	(53)
Net loss per share – basic and diluted (\$/share)	(0.00)	(0.00)	-	(0.00)	(0.01)	(100)
Working capital	5,336	71,823	(93)	5,336	71,823	(93)
Available funding ⁽²⁾	24,618	72,123	(66)	24,618	72,123	(66)

Capital expenditures	4,786	16,259	(71)	) 51,518	54,439	(5)
Operating ⁽¹⁾						
<i>Production</i>						
Condensate & oil (bbls/d)	753	384	96	586	130	351
NGLs (bbls/d)	58	37	57	45	12	275
Natural gas (mcf/d)	3,802	2,663	43	3,046	882	245
Non-core (boe/d)	2	3	(33	) 2	8	(75)
Total (boe/d)	1,447	868	67	1,141	297	284
Liquids ratio (%)	56	49	14	55	48	15
Condensate & oil gas ratio (bbls/mmcf)	198	144	38	192	147	31
Total liquids gas ratio (bbls/mmcf)	213	158	35	207	161	29
<i>Average Montney realized selling prices</i>						
Condensate & oil (\$/bbl)	76.77	62.35	23	72.02	62.47	15
NGLs (\$/bbl)	26.63	27.81	(4	) 29.39	27.83	6
Natural gas (\$/mcf)	3.33	4.57	(27	) 3.77	4.57	(18)
<i>Netbacks (\$/boe)</i>						
Petroleum and natural gas sales	49.81	42.87	16	48.27	42.45	14
Royalties	(3.28	) (2.93	) 12	(2.97	) (2.88	) 3
Operating expenses	(6.96	) (10.34	) (33	) (7.36	) (11.84	) (38)
Transportation and processing expenses	(12.29	) (14.75	) (17	) (12.83	) (16.21	) (21)
Operating netback ⁽²⁾	27.28	14.85	84	25.11	11.52	118
General and administrative expenses	(8.24	) (15.30	) (46	) (9.66	) (35.86	) (73)
Financing costs	(0.38	) (0.03	) 1,167	(0.16	) (0.15	) 7
Interest income	0.14	1.54	(91	) 0.64	3.35	(81)
Corporate netback ⁽²⁾	18.80	1.06	1,674	15.93	(21.14	) 175

Notes:

(1) See the Company's Q3 2018 financial statements and related management's discussion and analysis filed on SEDAR for further discussion and cautionary statements regarding the figures above.

(2) See "Non-IFRS Measures" below.

Q3 2018 Summary

- Record Revenue: Blackbird achieved record revenue from its Pipestone / Elmworth project during the third quarter of 2018. The Company reported \$6.4 million of petroleum and natural gas sales during the three months ended April 30, 2018. These results were achieved with the Company producing for approximately 70% of the quarter due to third-party natural gas processing shut-downs;
- Corporate Production: While on production during the quarter, Blackbird produced 5.5 mmcf/d of natural gas, 1,081 bbls/d of condensate and oil and 83 bbls/d of NGLs for total production of 2,081 boe/d from its Pipestone / Elmworth project. The Company produced for approximately 62 days during the third quarter of 2018 compared to 89 total calendar days in the quarter. Improved run times at Blackbird's third-party natural gas processing facility during the quarter contributed to more consistent production rates and stronger operating results. During the three months ended April 30, 2018, the Company achieved an average total production rate of 1,447 boe/d (including 2 boe/d of non-core production) comprised of 56% liquids;
- Q3 2018 Condensate & Oil Gas Ratio: 198 bbls/mmcf during the three months ended April 30, 2018;
- Q3 2018 Total Liquids Gas Ratio: 213 bbls/mmcf during the three months ended April 30, 2018;
- Operating Netback and Corporate Netback: Blackbird's operating and corporate netback was \$27.28/boe and \$18.80/boe, respectively, for the third quarter of 2018. Improved commodity pricing combined with a larger production base led to increased netbacks over comparative periods;
- Adjusted Funds Flow: The Company generated \$2.4 million of adjusted funds flow during the three months ended April 30, 2018 as a result of the increased production rates;

- Capital Investment: Blackbird invested \$4.8 million during the three months ended April 30, 2018 on production testing, furthering infrastructure development and bringing 5 gross (1.8 net) wells on production. During the third quarter of 2018 Blackbird incurred production testing costs related to its 2-20-70-6W6 Middle Montney and 3-27-71-7W6 Upper Montney delineation wells, which were both completed in previous quarters. Following the production testing operations at its 11-9 pad site, which were completed by mid-February 2018, Blackbird moved the production testing equipment north of the Wapiti River to its 6-33 pad to flow the 3-27-71-7W6 well. The Company also progressed its infrastructure development during the quarter with the tie-in of its 100% owned and operated 1-20-70-7W6 Upper Montney well in late February 2018 in addition to its non-operated 3-17-70-5W6 Middle Montney, 9-20-70-5W6 Middle Montney, 1-06-70-5W6 Middle Montney and 13-13-70-6W6 Middle Montney wells; and
- Working Capital Surplus and Available Funding: At April 30, 2018 the Company had positive working capital of approximately \$5.3 million, which included \$5.6 million of cash and no bank debt. The positive working capital and Blackbird's credit facility capacity provided the Company with \$24.6 million of future available funding at April 30, 2018. During the third quarter of 2018 Blackbird expanded its existing operating loan facility with ATB Financial from \$1.0 million to \$20.0 million. The terms of the facility are unchanged, and Blackbird may, at its option, elect to submit an updated engineering report in advance of its required annual review for the purposes of a borrowing base redetermination. The available funding and adjusted funds flow will be utilized by Blackbird to fund its future development plans north of the Wapiti River.

Outlook

Blackbird is highly encouraged by its early-stage results to date from its Pipestone / Elmworth lands. With a liquids weighting of 56% achieved from its production this past quarter, the Company is well positioned to take advantage of condensate prices in Alberta resulting from the supply / demand imbalance that currently exists, and is expected to continue. Global oil prices have also seen a recovery from the lows experienced in 2016 due to the rebalancing efforts of OPEC and non-OPEC producers combined with increased global demand. The Company continued delivering its natural gas to Chicago at favourable prices relative to AECO during the quarter. With natural gas prices in western Canada continuing to falter due to the lack of sufficient take away capacity, Blackbird remains focused on diversifying its transportation for future and long-term production so it can target markets with higher returns and create value from its gas production.

With a strong test result from the Company's 3-27-71-7W6 Upper Montney delineation well to the north of the Wapiti River management is confident in the long-term development potential of its northern acreage. Blackbird has continued to progress its developments plans for north of the Wapiti River with the acquisition of surface land sites, surveying and well licensing. Blackbird anticipates that it will begin its drilling program in August 2018. The Company will provide additional details as the program is finalized in the coming months. The Company has minimal capital expenditures budgeted for the fourth quarter of 2018.

Blackbird estimates that its exit production for fiscal 2018 will approximate current year to date levels. From May 1, 2018 to the date of this news release, the Company has produced for approximately 48 days. There is currently a planned outage at the Company's third-party gas processing plant scheduled for the beginning of July 2018 which is expected to cause a service disruption of approximately 14 days. The timing and / or length of this planned outage may change and Blackbird may experience further production interruptions due to unexpected downtimes.

For more information, please view our Corporate Presentation at www.blackbirdenergyinc.com.

About Blackbird

[Blackbird Energy Inc.](http://www.blackbirdenergyinc.com) is a highly innovative oil and gas exploration and development company focused on the condensate and liquids-rich Montney fairway at Pipestone / Elmworth, near Grande Prairie, Alberta.

For more information, please contact:

[Blackbird Energy Inc.](http://www.blackbirdenergyinc.com)

Garth Braun
Chairman, CEO and President
(403) 500-5550
gbraun@blackbirdenergyinc.com

Karen Minton
Chief Financial Officer
(403) 699-9929 Ext 111
kminton@blackbirdenergyinc.com

Allan Dixon
Business Development Manager
(403) 699-9929 Ext 103
adixon@blackbirdenergyinc.com

The TSX Venture Exchange Inc. has neither approved nor disapproved the contents of this press release. Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

ADVISORIES REGARDING OIL AND GAS INFORMATION

This press release discloses certain production information on a barrels of oil equivalent ("boe") basis with natural gas converted to barrels of oil equivalent using a conversion factor of six thousand cubic feet of gas to one barrel of oil (6:1). Boes may be misleading, particularly if used in isolation. The 6:1 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 or at the plant gate. Although the 6:1 conversion ratio is an industry accepted norm, it is not reflective of price or market value differentials between product types. Based on current commodity prices, the value ratio between crude oil and natural gas is significantly different from the 6:1 energy equivalency ratio. Accordingly, using a conversion ratio of 6:1 may be misleading as an indication of value.

Other abbreviations used in the press release include: "bbl" which mean barrel; "bbls/d" which means barrels per day; "mcf" which means thousand cubic feet; "mcf/d" which means thousand cubic feet per day; "boe/d" which means barrel of oil equivalent per day; "mmcf" which means million cubic feet; "bbls/MMCF/d" which means barrels per million cubic feet; and "mmcf/d" which means million cubic feet per day.

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. Forward-looking statements relate to future performance, events or circumstances, and are based upon internal assumptions, plans, intentions, expectations and beliefs. All statements other than statements of current or historical fact constitute forward-looking statements. Forward-looking statements are typically, but not always, identified by words such as "will", "expect", "believe", "anticipate", "estimate", "plan", "forecast", "potential", "continue" and similar expressions. More particularly and without limitation, this press release contains forward looking statements regarding: Blackbird being well positioned to take advantage of condensate pricing in Alberta, the supply / demand imbalance that exists in Alberta continuing into the future, the Company diversifying its transportation and being able to utilize higher return markets for its natural gas production in the future and in the long-term, projected exit production rates for fiscal 2018, budgeted capital expenditures for the fourth quarter of fiscal 2018, the Company's planned development program north of the Wapiti River, the potential productivity of Blackbird's northern Pipestone / Elmworth Montney lands, anticipated timing for commencement of Blackbird's drilling program in August 2018, the utilization of available funding and adjusted funds flow to fund the Company's future development plans north of the Wapiti River, the timing and duration of the planned outage, scheduled for the beginning of July 2018 and expected to last approximately 14 days, at Blackbird's third-party gas processing plant, Blackbird graduating to an intermediate producer and the Company continuing to unlock value from its Pipestone / Elmworth project.

By their nature, forward-looking statements are based upon certain assumptions and are subject to numerous risks and uncertainties, many of which are beyond Blackbird's control, including 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 adjusted funds flow, the timing, allocation and amount of capital expenditures and the results therefrom, anticipated reserves and the imprecision of reserves estimates, the performance of existing 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, and the ability to access sufficient capital from internal sources and bank and equity markets; and also including, without limitation, those risks and uncertainties discussed under "Risk Factors" in our Annual Information Form for the year ended July 31, 2017 available on SEDAR. This list is not exhaustive.

The forward-looking statements contained in this press release are made as of the date hereof and Blackbird assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. All forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

NON-IFRS MEASURES

This press release contains references to "operating netback", "corporate netback", "adjusted funds flow" and "available funding" which are terms commonly used in the oil and natural gas industry but without any standardized meaning or method of calculation prescribed by International Financial Reporting Standards ("IFRS") or applicable law. Accordingly, the Company's determination of these metrics may not be comparable to similar measures presented by other issuers.

"Operating netback" equals the total of petroleum and natural gas sales less royalties, operating expenses and transportation and processing expenses calculated on a per boe basis. Operating netback is utilized by Blackbird to analyze the performance of its oil and natural gas assets at the field-level by isolating the impact of changes in production volumes.

"Corporate netback" is calculated as the operating netback further adjusted for corporate overhead by deducting G&A expenses and financing costs and adding back interest income earned on a per boe basis to determine overall corporate performance.

"Adjusted funds flow" is defined as cash provided by (used in) operating activities adjusted for changes in non-cash working capital. Management of Blackbird considers adjusted funds flow to be a useful supplemental cash flow measure for assessing the Company's ability to generate cash necessary to finance operating activities and capital expenditures on a continuing basis by eliminating non-cash charges. Adjusted funds flow as presented does not and is not intended to represent, and should not be considered an alternative to or more meaningful than, cash provided by (used in) operating activities or other measures of cash flow calculated in accordance with IFRS. Readers should refer to Blackbird's Q3 2018 management's discussion and analysis filed on SEDAR for a reconciliation of adjusted funds flow to cash provided by (used in) operating activities, the most comparable measure calculated in accordance with IFRS.

"Available funding" is calculated as the Company's working capital plus the undrawn capacity of its operating loan facility. Working capital is comprised of current assets less current liabilities. The available funding measure allows management and other users to evaluate Blackbird's short-term liquidity and ability to fund future capital expenditures.

For more details on non-IFRS measures, refer to our management's discussion and analysis for the three and nine months ended April 30, 2018 available on SEDAR.

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/302468--Blackbird-Energy-Inc.-Announces-Third-Quarter-2018-Record-Financial-and-Operating-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 [Datenschutzrichtlinen](#).