Mark Vanry on Wedgemount's Integration and ramp-up of both new and historical Texas Oil Well Assets

written by InvestorNews | February 19, 2024

In an engaging discussion with Tracy Weslosky, Mark Vanry, the President, CEO, and Director of Wedgemount Resources Corp. (CSE: WDGY | OTCQB: WDGRF), provided updates on the company's ambitious production enhancement efforts. Despite weather-related delays, Wedgemount has nearly completed chemical stimulations on 17 Texas wells, part of a broader strategy to significantly boost oil production. From initial acquisitions producing 31 barrels of oil equivalent per day, the company has surged to 177 barrels, with expectations to further double this output. The completion of service facility optimizations, now 100% done, and the integration of the TCS light oil acquisition, bringing the total to 24 producing wells, underscore the company's progress.

Vanry also revealed that infrastructure improvements are 95% complete, enhancing oil treatment and sales processes to shorten the working capital cycle from 70 to about 30 days, promising quicker cash flows and shareholder benefits. The appointment of Steve Vanry, a CFO with extensive experience, adds strategic financial oversight as Wedgemount transitions from pre-production to active operation. Looking forward, Vanry anticipates a comprehensive update on production enhancements by the end of Q1, alongside active exploration for additional asset acquisitions, aiming to expand the portfolio by mid-2024. He summarized the company's position and outlook, expressing excitement about the integration and ramp-up of both new and historical assets.

To access the complete interview, click here

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About Wedgemount Resources Corp.

Wedgemount Resources is a junior oil & gas company focused on maximizing shareholder value through the acquisition, development and exploitation of natural resource projects in the southern USA.

To learn more about Wedgemount Resources Corp., click here

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Mark Vanry on the rising oil and gas market and Wedgemount's production enhancement plans for their Central Texas assets

written by InvestorNews | February 19, 2024

In a recent InvestorNews interview, host Brandon Colwell engaged Wedgemount Resources Corp.'s (CSE: WDGY | OTCQB: WDGRF) President, CEO, and Director Mark Vanry, in a discussion on their Central Texas oil and gas assets and the ambitious production enhancement program they have set in motion.

Mark Vanry on Low-Cost O&G Growth and Wedgemount Resources' Competitive Technology

written by InvestorNews | February 19, 2024

In an InvestorNews interview hosted by Tracy Weslosky and featuring Mark Vanry, President, CEO, and Director of Wedgemount Resources Corp. (CSE: WDGY | OTCQB: WDGRF), key insights were shared about the company's O&G deal flow and production objectives.

Mark emphasized Wedgemount's focus on raising production and discussed recent acquisitions in Central Texas, which have contributed to their current production rate. Highlighting the company's cost-effective approach to growing production, he highlights significantly lower than industry averages.

The company's financial strength was underlined, as they raised over $3 million through private placements and warrant conversions, deploying these funds to the field. Wedgemount's cash balance and positive operating cash flow from their existing production provide a solid foundation for further acquisitions and growth optimization.

Mark discussed the company's proprietary chemical technology, tailored for treating oil and gas reservoirs to enhance production. This technology has demonstrated remarkable success, resulting in an average production increase. To access the complete interview, click here

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Mark Vanry of Wedgemount on Buying Distressed Oil & Gas Assets in the Permian and Growing Production

written by InvestorNews | February 19, 2024

In this InvestorIntel interview, Tracy Weslosky talks with Wedgemount Resources Corp.'s (CSE: WDGY | OTCQB: WDGRF) CEO, President, and Director Mark Vanry about Wedgemount's recent acquisition of two oil and gas assets (Willowbend and Millican) in the Permian Basin of West-Central Texas, North America's #1 oil-producing region.

Mark also mentions the company's focus on acquiring distressed oil and gas assets across central Texas and explains how Wedgemount is using its technical expertise to organically grow production at low costs.

Providing an update on production from their "biggest field program to date", Mark talks about the potential to close at least two more acquisitions by the end of the second quarter of 2023. He goes on to say, "Wedgemount's opportunity in Texas is the lowest risk, highest upside opportunity that I've probably seen in my 25 years in capital markets and around the oil and gas sector."

To access the full InvestorIntel interview, click here.

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Unpacking OPEC's Latest Oil Production Cut: Is China Pulling the Strings?

written by InvestorNews | February 19, 2024

In a surprise move, OPEC+ decided on the weekend to cut its oil output by around 1.16 million barrels per day. On the surface, this seems like a very bullish move for oil prices, and indeed it was as WTI spiked from just over US$75/bbl to just over US$80/bbl on the news. But is this cut as bullish as it appears? On the surface, I would argue that "no, it isn't", as a lot of the cuts primarily involved realigning the quotas with the recent actual production. And it is only 8 members of OPEC+ that are making production 'cuts'. Nevertheless, I think the impact on oil prices could become like the forecast for interest rates – higher for longer, in light of what some of these actions signal to the global political structure.

China’s recent diplomacy

Without trying to become too much of a conspiracy theorist, let’s look at the timeline of recent events. In late March, China’s President Xi Jinping traveled to Moscow to visit President Vladimir Putin. The “good friends” announced they had agreed to cooperate on a range of economic and business areas, but what stands out most to me was the comment on increasing the use of “local” currency. China has been pushing for the internationalization of its currency for years now (to usurp the US Dollar) and during this visit, Russia agreed to support using the Chinese yuan in transactions between itself and its partners in Asia, Africa, and Latin America. And who’s buying most of Russia’s oil these days, which also accounts for the largest component of Russian GDP? According to Bloomberg News, it is China.

Next, we see the announcement that China has brokered a peace deal between long-time rivals Saudi Arabia and Iran. Obviously, it would have been almost impossible for the United States to pull this deal off given its current relationship (or lack thereof) with Iran, but it came as a surprise to many that China was successful in seemingly a short period of time. Where am I going with this? Arguably the only true cut in OPEC oil production in this latest round is going to come from the 0.5 million barrels per day that the Saudis volunteered.

Inflation, interest rates, and the banking crisis

Who stands to see the most pain from tightening the oil supply, which in turn leads to higher oil prices? Mostly, the developed Western nations who are already fighting with inflation and trying to combat that issue with higher interest rates which seem to be pushing a lot of the G7 countries towards a recession. The U.S. is front and center in this battle and has called the OPEC+ production cuts "inadvisable".

If you really want to go down the rabbit hole with me on this, I'll pose one more tidbit before I swing back to less nefarious reasons to be bullish oil. There's one more case to be made for China trying to control the global puppet strings to disrupt the West and its beloved Democracy. As the financial crisis was percolating and Credit Suisse was getting caught up in the panic (although arguably CS was a sinking ship for a long time and this was simply the straw that broke the camel's back), its largest investor, the Saudi National Bank, said it could not provide the Swiss bank with any further financial assistance. Coincidence? Perhaps, but part of me thinks China is playing a long game here and is selectively calling in favors that cause the most disruption to the West and its hallmark institutions like the banking system.

Oil production cuts or production reality

Whether one believes there is more to the latest OPEC cuts than simply price management or not, there is certainly reason to pay attention to what is happening globally to oil supply and where that might lead. The reality is, as the world spurns fossil fuels and champions renewable energy, it should come as no surprise that OPEC crude oil production has lagged output targets for quite some time because of dwindling capacity, underinvestment, and Western sanctions to certain OPEC+ members.

And this isn't just true for OPEC, but virtually all crude oil production globally has not seen the investment required to grow production. On top of that, not only are we not at peak oil demand but we might not even be close yet as growing nations like China and developing nations like India see oil consumption that is growing at a faster rate than renewable energy is reducing overall demand. In fact, OPEC is projecting year-on-year growth of 2.3 million barrels-per-day ("bpd") in 2023 to over 103 million bpd by Q4/2023.

Table 4 - 2: World oil demand in 2023*, mb/d

World oil demand	2022	1Q23	2Q23	3Q23	4Q23	2023	Change 2023/22 Growth	%
Americas	25.03	24.86	25.17	25.63	25.18	25.21	0.18	0.73
of which US	*20.46*	*20.41*	*20.46*	*20.85*	*20.49*	*20.55*	*0.09*	*0.46*
Europe	13.52	13.12	13.41	14.11	13.42	13.52	0.00	0.02
Asia Pacific	7.46	7.89	7.05	7.27	7.79	7.50	0.04	0.55
Total OECD	**46.00**	**45.88**	**45.63**	**47.01**	**46.39**	**46.23**	**0.23**	**0.49**
China	14.85	15.23	15.40	15.43	16.16	15.56	0.71	4.75
India	5.14	5.41	5.44	5.21	5.50	5.39	0.25	4.96
Other Asia	9.02	9.46	9.65	9.14	9.24	9.37	0.35	3.83
Latin America	6.43	6.44	6.49	6.71	6.65	6.58	0.15	2.29
Middle East	8.28	8.45	8.46	8.84	8.71	8.61	0.33	4.02
Africa	4.40	4.71	4.34	4.43	4.88	4.59	0.19	4.32
Russia	3.55	3.68	3.45	3.59	3.82	3.64	0.09	2.50
Other Eurasia	1.15	1.21	1.16	1.02	1.22	1.15	0.01	0.51
Other Europe	0.77	0.80	0.76	0.75	0.83	0.79	0.02	2.32
Total Non-OECD	**53.58**	**55.40**	**55.14**	**55.13**	**57.00**	**55.67**	**2.09**	**3.90**
Total World	**99.58**	**101.28**	**100.77**	**102.14**	**103.39**	**101.90**	**2.32**	**2.33**
Previous Estimate	99.55	101.26	100.70	101.99	103.51	101.87	2.32	2.33
Revision	0.03	0.02	0.07	0.15	-0.12	0.03	0.00	0.00

*Note: * 2023 = Forecast. Totals may not add up due to independent rounding. Source: OPEC.*

Source: OPEC Monthly Oil Market Report March 2023

Final thoughts

I'll be the first to admit, that I may be reading far too much into what I think is Chinese hegemony. That's fine, but don't lose sight of what's really happening to macro oil supply and demand. Demand continues to creep higher and I wouldn't be surprised to see OPEC reversing its latest cuts before the end of 2023 or possibly even earlier if the U.S. doesn't slip into a recession. It's a delicate balancing act between higher prices that kill demand and prices that drop too low and spark demand. The pendulum often swings too far when it comes to the price of oil, but ultimately if there isn't enough capital being deployed to keep production in line then prices can start moving very quickly.

Mark Vanry of Wedgemount Discusses Quadrupling Production from its Oil Assets in the Permian Basin

written by InvestorNews | February 19, 2024

In this second InvestorIntel interview in the last week, Byron W King gets an update from Wedgemount Resources Corp.'s (CSE: WDGY | OTCQB: WDGRF) CEO, President, and Director Mark Vanry about quadrupling production at their Willowbend light oil project located in North America's #1 oil-producing region of Permian Basin in West-Central Texas.

With only 3 of the 11 wells having undergone chemical treatment so far, Mark discusses the potential for significantly adding more production when the Company finishes treating all 11 wells by the end of March 2023. Using modern best practices on older, under-exploited wells, Mark explains how Wedgemount is growing production economically.

In addition, Mark sees the potential in upper bypassed pay zones that they have mapped and expects to get a 10%-12% recovery with work progressing on this project in Q4/2023 or early 2024.

To access the full InvestorIntel interview, click here

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Wedgemount Rapidly Moves to Oil Producer with Permian Acquisition

written by InvestorNews | February 19, 2024

After announcing the signing of an agreement to acquire "producing" oil and gas assets in the Permian Basin in December 2022, Wedgemount Resources Corp. (CSE: WDGY | OTCQB: WDGRF) ("Wedgemount") has rapidly moved into the oil producer category. The Company has also quickly increased barrels of oil equivalent per day ("BOEPD") production as it implements its growth strategy.

On December 19, 2022, Wedgemount announced the signing of an agreement to acquire "producing" oil and gas assets (known as the Willowbend Light Oil Project) in the Permian Basin of West-Central Texas, North America's number 1 oil-producing region. Earlier this month, the Company announced production increases from well and formation chemical treatments and then last week announced further gains in production as it “shows” the market it can successfully execute on its plans.

Willowbend Light Oil Project (Texas)

Wedgemount’s Definitive Agreement means that they will acquire a 100% working interest (purchased for US$1.5 million to be paid in installments) in 640 acres including five leases, eleven producing wells, and all surface facilities. At the time of purchase, production from the eleven wells was approximately 25 barrels of oil per day of high quality, low-decline, operated production (and some associated natural gas production). The area’s geology consists of numerous hydrocarbon-producing formations which will also be targeted by the Company giving potential to expand operations in the future.

Production expands rapidly from 25 to 104 barrels of oil equivalent per day, with the potential for a lot more

In February 2023, Wedgemount announced that they had commenced a phase-one field program at the Project to optimize wells and improve production.

Wedgemount CEO Mark Vanry clearly outlined the Company’s strategy:

> *“Wedgemount is delighted to secure a highly scalable and profitable light oil asset in North America’s most prolific producing hydrocarbon basin. The asset has tremendous production upside potential including low-cost optimization of existing wells, new vertical and horizontal wells, targeting of*

underdeveloped zones and the implementation of secondary recovery through water-flood. We're optimistic that together our local partner, we'll be able to add additional highly prospective targets in the immediate area during calendar 2023."

Then on February 22, the Company announced its success from its initial work with the rise in barrels of equivalent oil per day to 104 from 25, a 316% increase:

"As of February 16, 2023, the five-day average Willowbend field production was 104 boepd, which represents a significant increase from the Q4 2022 average of 25 boepd."

From 25 to 104 barrels of oil equivalent per day produced (from the chemical treatments) is an incredible result. And done from treating only 3 of the 11 wells so far, with more to follow. Workovers of the wells infrastructure can improve this further. Wedgemount anticipates well workovers and surface optimizations will commence in April 2023, which Wedgemount is optimistic will continue to add incremental production to the field.

Wedgemount's CEO Mark Vanry sees further expansion potential later in 2023 and into 2024 stating:

"We've mapped 36 million barrels in place and on a primary recovery can probably get 10-12%…….that's just one of a multitude of these bypass pay zones that will be the real blue sky for Wedgemount…."

The Petrosaurus partnership and its

“proprietary oil well chemical treatments” are key competitive advantages for Wedgemount

Effectively Wedgemount is now a rapidly growing small oil producer, albeit with their partner Petrosaurus Inc. who is a San Antonio-based turn-key oil field services operator with over 40 years of track record in central Texas. Petrosaurus has key relationships with landowners and businesses in the area. Petrosaurus’ proprietary oil well chemical treatments are a key component of Wedgemount’s strategy of acquiring and optimizing under-performing conventional light oil assets in central Texas. Wedgemount estimates that it can add oil production by spending US$5,000 per flowing barrel increase and it results in a payback period of fewer than 100 days.

Wedgemount Resources and partner Petrosaurus are working to acquire and improve underperforming oil wells in Texas

Source: Wedgemount Twitter

Petrosauraus' Senior Operations Manager Heidi Flag and her colleagues have over 40 years of combined experience providing solutions for the oil and gas industry.

Wedgemount's CEO Mark Vanry has an excellent track record of success with over 20 years of experience in the resources and capital markets sector. In fact, he has personally raised over $2 billion of capital for resource companies which is an exceptional achievement. Wedgemount also has a very experienced team including 2 seasoned geologists. The combined Wedgemount management team has over 75 years of industry experience.

Closing remarks

Wedgemount's strategy is to acquire and dramatically improve the performance of underperforming oil wells in Texas using modern techniques. Their maiden oil acquisition can potentially provide near-term cash flow as production rapidly ramps using their partnership with Petrosaurus which is producing amazing results. By the end of March 2023, all 11 wells should have received the Petrosaurus chemical treatment, potentially boosting oil production even higher. There is the potential for further upside once the well makeovers are also done and again when work begins on the bypass pay zones later in 2023.

Wedgemount Resources currently trades at a market cap of only C$6 million.

Mark Vanry of Wedgemount Outlines the Strategy of Acquiring Oil Assets & Growing Production in Texas

written by InvestorNews | February 19, 2024

In this InvestorIntel interview, Byron W King talks to Wedgemount Resources Corp.’s (CSE: WDGY | OTCQB: WDGRF) CEO, President, and Director Mark Vanry about an update on their Willowbend Light Oil Project located in the Permian Basin of West-Central Texas, North America’s #1 oil-producing region.

Speaking about their strategic partnership with San Antonio-based Petrosaurus Inc., Mark discusses how Wedgemount is growing production economically at the Willowbend Light Oil Project. Accelerated production and revenue growth will come from acquiring and optimizing underperforming conventional light oil assets in central Texas, Mark explains how Wedgemount, “for a very low purchase price and a very inexpensive chemical treatment, can get all the capital invested back in a very short period of time.”

To access the full InvestorIntel interview, click here

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Inflationary Thoughts, and What to Do as Things Unfold

written by InvestorNews | February 19, 2024

Like many people (perhaps like you, dear reader), I'm a creature of habit.

For example, when I buy something in a store I always ask for a receipt. Or I hit the button for a receipt if it's one of those self-serve dispensers, like with fuel pumps at a gas station. Then I fold the receipt and drop it into the left pocket of my trousers. See? Habit.

Later, I empty my pockets, take the receipts, and stuff them into an envelope on my desk. The idea is that I'll sort them later for taxes. Except I hardly ever do that last part. Staying organized for taxes is not a habit, I guess.

At any rate, this short, personal confession is my way of introducing a quick discussion about inflation, currently over 8.5% per no less than the U.S. Government. And it's likely even more than that number because I believe that government bureaucrats badly misperceive and understate reality.

So, here's what happened. The other day I was cleaning my desk and found a stash of gasoline receipts from about a year ago. Back then it cost about $35 to $40 to fill the fuel tank of my car.

Lately, though, it costs me about $70 to $75 to fill my gas tank. That’s about 80% more than a year ago.

Same car. Same fuel tank. My driving habits are about the same. Same roads. Same trips to the store, errands, etc. Same everything, except that it costs me much more to fill the tank.

There’s a reason for this, of course. A year ago, the price of oil was nestled in the range of $65 per barrel. Today it’s north of $110. Do the math, right? The price of oil controls the price of motor fuel. Oil up, gasoline up; cause and effect.

Meanwhile, rising prices for energy – oil, gasoline, diesel – explain a big whack of why the rate of inflation is high and increasing, not just at the fuel pumps but at the grocery store and pretty much everywhere else.

Inflation is up because the global supply of energy is tight, which is certainly the case for oil, and also the scenario for much else in the arena of fuels.

And energy demand is up due to a global recovery from Covid. More people want more and more energy. And due to the massive levels of government spending over the past couple years, there’s money out there to chase it.

In other words, demand/people/money are chasing – or more precisely, “cornering” – a relatively static supply of oil, hence higher prices to clear the market.

All this, while higher costs for energy flow through to everything.

Higher energy costs affect what you pay to drive your car, and what it costs farmers and processors to produce food and other goods, and what it costs manufacturers and shippers to create and move everything, and eventually deliver it to stores where people buy it all.

In this regard, inflation is now truly structural. That is, inflation is built into the entire economic system. It’s deeply rooted in the fundamentals of energy availability, and how much energy costs its end-users.

Now, consider a follow-on point to what we just discussed. That is, absent a lot of additional energy miraculously showing up and hitting the system (hint: very unlikely) the whole situation will remain bad, if not get worse.

However bad you think it is now – high prices at the gas pump or supermarket – it’s about to hurt even more. There’s no relief in sight, unless you’re one of those well-insulated people who want to see a major global recession to, as the saying goes, “destroy demand.”

The takeaway here is that inflation is structural. So stand by for more of it. Stand by for higher prices. Stand by for your dollars to buy less and less, while your quality of living declines.

And okay, one more takeaway, with an upbeat angle. Looking ahead, hard assets – real things like metals and energy resources – will not only hold their value through the coming storm, but preserve and create wealth for the holders.

On that last point, invest accordingly.

That’s all for now… Thank you for subscribing and reading.

Industry experts Jack Lifton and Byron W. King talk about the coming economy based on gold and energy.

written by InvestorNews | February 19, 2024

In this video, long-time mining and metals analysts Jack Lifton and Byron W. King discuss gold, inflation, and global economic trends driven by rising energy prices. Gold prices will bounce around, to be sure. But energy-driven inflation is now structural and embedded in both the U.S. and global economy. Meanwhile, U.S. sanctions against Russia are backfiring, undermining the credibility of the dollar. Over time, we will see a new international financial standard based on hard commodities and energy.

To access the complete episode of this Critical Minerals Corner discussion, click here