

Storm Cat Energy CORP
Form 10-Q/A
November 13, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q/A

(Amendment No. 1)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934**

For the quarterly period ended September 30, 2006

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934**

For the transition period from to

Commission file number: 001-32628

STORM CAT ENERGY CORPORATION

(Exact name of registrant as specified in its charter)

British Columbia

06-1762942

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(State or other jurisdiction
of incorporation or organization)

(I.R.S. Employer
Identification No.)

1125 17th Street, Suite 2310
Denver, Colorado
(Address of principal executive offices)

80202
(Zip Code)

(registrant's telephone number, including area code): **(303) 991-5070**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common shares, as of the latest practicable date:

As of October 31, 2006, there were 80,429,820 common shares outstanding.

EXPLANATORY NOTE

This Form 10-Q/A of Storm Cat Energy Corporation (the "Company") constitutes Amendment No. 1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2006 (the "Original Filing"), which was initially filed with the Securities and Exchange Commission (SEC) on November 9, 2006.

The purpose of this filing is to clarify and correct certain typographical errors in amounts and inadvertent immaterial misstatements or omissions in the Company's Original Filing. In the consolidated statements of operations interest expense for the nine months ended September 30, 2006 was incorrectly reported as \$(424). The correct interest expense for the nine months ended September 30, 2006 is \$424 and Total Other Expense Income has been changed to Total Other Expense (Income). The consolidated statements of operations has been updated to reflect these corrections. In the statements of cash flows net loss for the nine months ended September 30, 2006 was incorrectly reported as \$(6,837). The correct net loss for the nine months ended September 30, 2006 is \$(6,212). Issuance of shares of stock for cash for the nine months ended September 30, 2006 was incorrectly reported as \$20,214. The correct Issuance of shares for cash for the nine months ended September 30, 2006 is \$19,483. Also impairments have been separated from Depreciation, depletion, amortization and impairments and are now reported on a separate line as Impairments. The statements of cash flows has been updated to reflect these corrections. In Note 9 Bank Credit Facility certain paragraphs were moved to better clarify the EBITDA calculation required under the Company's debt covenants. In Note 16 Difference between Canadian and United States Accounting Principles, under the Stockholders Equity table, Adjustment for flow-through share liability for the nine months ended September 30, 2005 was incorrectly reported as \$(151). The correct Adjustment for flow-through share liability amount for the nine months ended September 30, 2005 is \$0. The Stockholders Equity table in Note 16 has been updated to reflect this correction. Further in Note 16 under the Cash Flow Statement table, the Adjustment for flow-through share liability for the nine months ended September 30, 2006 was incorrectly reported as \$(1,389). The correct Adjustment for flow-through share liability for the nine months ended September 30, 2006 is \$1,389. The Cash Flow Statement table in Note 16 has been updated to reflect this correction. Under Note 16 certain wording was changed to clarify effects on Canadian GAAP and U.S. GAAP for gross proceeds received on flow through shares. Finally, due to clerical error the Company inadvertently failed to indicate by typed signature above the name and title of its President and Chief Executive Officer and Chief Financial Officer that each had in fact manually signed their respective Section 302 certifications and Section 906 certifications on November 9, 2006.

In addition, pursuant to the rules of the SEC, Item 6 of Part II of the Original Filing has been amended to contain currently dated certifications from the Company's President and Chief Executive Officer and Chief Financial Officer, as required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002. Except for the matters referenced in this Explanatory Note, this Amendment reflects the disclosures made at the time of the Original Filing and no other changes have been made to the Original Filing.

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STORM CAT ENERGY CORPORATION

CONSOLIDATED BALANCE SHEETS

(Unaudited)

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(stated in U.S. Dollars, in thousands)

	September 30, 2006	December 31, 2005
ASSETS		
CURRENT ASSETS:		
Cash and Cash Equivalents:	\$ 20,139	\$ 29,502
Accounts Receivable:		
Joint Interest Billing	442	703
Revenue Receivable	1,192	504
Fair Value of Derivative Instruments (Note 10)	2,039	
Prepaid Costs and Other Current Assets	1,289	445
Total Current Assets	25,101	31,154
PROPERTY AND EQUIPMENT:		
Oil and Gas Properties: (Note 2)		
Undeveloped Properties	33,552	5,078
Developed Property	54,760	23,367
Impairments	(4,157)	(2,125)
Less: Accumulated Depreciation, Depletion and Amortization	(2,944)	(1,502)
Total Oil and Gas Properties, net	81,211	24,818
Fixed Assets	1,056	911
Accumulated Depreciation	(335)	(106)
Total Property and Equipment, net	81,932	25,623
Fair Value of Derivative Instruments - Long Term (Note 10)	909	
Restricted Investments (Note 5)	435	176
TOTAL ASSETS	\$ 108,377	\$ 56,953
LIABILITIES AND STOCKHOLDERS EQUITY		
CURRENT LIABILITIES:		
Accounts Payable	\$ 37	\$ 3,815
Revenue Payable	975	313
Accrued and Other Liabilities	13,680	7,850
Accrued Interest	417	
Notes Payable (Note 9)	7,500	
Total Current Liabilities	22,609	11,978
LONG-TERM LIABILITIES:		
Asset Retirement Obligation (Note 6)	1,646	793
Notes Payable - Long-Term (Note 9)	20,000	
Flow-through Shares Liability	1,219	731
Total Liabilities	45,474	13,502
STOCKHOLDERS EQUITY:		
Common Stock, without par value unlimited common shares authorized, issued and outstanding: 80,403,570 at September 30, 2006 and 65,654,388 at December 31, 2005	70,341	50,858
Contributed Surplus	4,441	2,204
Accumulated Other Comprehensive Income	4,095	151
Accumulated Deficit	(15,974)	(9,762)
Total Stockholders Equity	62,903	43,451

(Unaudited)

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TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 108,377	\$ 56,953
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The accompanying notes are an integral part of these financial statements.

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STORM CAT ENERGY CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

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(Unaudited)

(stated in U.S. Dollars and in thousands, except per share amounts)

Three Months Ended September 30,

Nine Months Ended September 30,