Wedgemount Announces Permian Basin Oil Production Update

written by Raj Shah | February 14, 2023
February 14, 2023 (Source) – Wedgemount Resources Corp. (CSE: WDGY) (OTCQB: WDGRF) ("**Wedgemount**" or the "**Company**"), is pleased to announce initial well production results from the Willowbend light oil project in the Permian Basin of central Texas.

On January 23, 2023, three wells including the McBeth-2, McBeth-5 and Davis-3 underwent well and formation chemical treatments. Prior to the treatments, the three wells were flowing at a combined rate of 10 barrels of oil per day. Post treatment, the three wells combined have tripled in production and are currently flowing at a rate of 31 barrels of oil per day. Total cost of the three well chemical treatment program was US$45,000. Overall field production is now 52 barrels of oil per day, more than double the average for Q4 2022.

"We couldn't be happier with the initial results from the Company's field work to date," commented Mark Vanry, President and CEO of Wedgemount. "Adding production at under US$2,200 per flowing barrel demonstrates a very low cost path to adding significant value at Willowbend. The Gardner Formation wells have responded to the chemical treatments beyond our expectations and without the benefit of workovers which will commence in late March 2023. We're looking forward to treating and testing the balance of the 11 producing wells at Willowbend over the coming weeks."

Field work was carried out by the Company's San Antonio based operations contractor, Petrosaurus. The Company anticipates carrying out chemical treatments on three additional wells within the next two weeks and workovers on all of the Willowbend

wells commening in late March 2023. Wedgemount is optimistic that the well workovers will add incremental production to the field in addition to the increase from the previously mentioned well treatments.

Petrosaurus' in-house developed chemical cleanouts combined with well workovers and new zone perforations are a key part of Wedgemounts's initial plan to grow production from underexploited and underdeveloped light oil formations in central and south Texas.

Willowbend Transaction Update

Closing of the Willowbend transaction (the "**Transaction**") is conditional upon the Company making total payments to the arm's length vendors totaling US$1.5 million. To date, the Company has paid US$250,000 with additional payments of US$500,000 (on or before February 28, 2023) and US$750,000 (on or before March 31, 2023) scheduled to meet closing conditions of the Transaction.

On closing of the Transaction, the vendors will relinquish operator status and transfer title to the leases and ownership of related surface facilities and equipment (the "**Project**") to the Company's wholly owned Texas subsidiary, Wedgemount Texas Corp ("**WTC**"). Concurrent with closing, WTC will have earned a 100% working interest in the leases comprising the Project subject to underlying royalties averaging 20%.

Conditional to closing, WTC will be credited by the vendors with an amount equal to the net oil and gas revenue from the Project for the period commencing January 1, 2023 and up to the date of closing of the Transaction (the "**Interim Period**") which amount will be reconciled by vendor via a settlement statement rendered within 60-days of closing of the Transaction. During the Interim Period, the vendor will conduct operations at the direction of WTC. WTC is responsible for oil and gas production taxes as well

as property taxes during the Interim Period.

About Wedgemount Resources Corp.

Wedgemount Resources is a junior natural resources company focused on maximizing shareholder value through the acquisition, discovery and advancement of natural resource projects in North America.

On behalf of the Board of Directors,
WEDGEMOUNT RESOURCES CORP.

Mark Vanry, President and CEO

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those in the forward-looking statements as a result of various factors, including, but not limited to, availability of funds, personnel and other resources necessary to conduct exploration programs, successes of the Company's exploration programs, availability of capital and financing and general economic, market or business conditions. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.

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