

Storm Cat Energy CORP  
Form 10-Q  
August 09, 2007

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2007  
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**  
(State or other jurisdiction  
of incorporation or organization)

**06-1762942**  
(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 August 5, 2007, there were 81,004,820 common shares outstanding.**

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**PART I—FINANCIAL INFORMATION**

Item 1. Financial Statements

**STORM CAT ENERGY CORPORATION  
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**STORM CAT ENERGY CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(stated in U.S. Dollars and in thousands, except share amounts)

	<b>June 30, 2007 (Unaudited)</b>	<b>December 31, 2006</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 1,015	\$ 5,299
Accounts receivable:		
Joint interest billing	2,790	1,932
Revenue receivable	1,037	2,121
Fair value of derivative instruments - current	2,403	2,670
Prepaid costs and other current assets	2,148	1,445
<b>Total Current Assets</b>	<b>9,393</b>	<b>13,467</b>
<b>PROPERTY AND EQUIPMENT (Full Cost Method), at cost:</b>		
<b>Oil and gas properties:</b>		
Unproved properties	69,918	54,873
Proved properties, net of impairments	55,526	46,446
Less accumulated depreciation, depletion, amortization and accretion	(8,051)	(4,764)
<b>Oil and gas properties, net</b>	<b>117,393</b>	<b>96,555</b>
Fixed assets	1,117	1,057
Accumulated depreciation	(555)	(408)
<b>Total other property, net</b>	<b>562</b>	<b>649</b>
<b>Total property and equipment, net</b>	<b>117,955</b>	<b>97,204</b>
Restricted investments	526	511
Debt issuance costs	3,551	0
Fair value of derivative instruments - long term		782
<b>Total Non-Current Assets</b>	<b>4,077</b>	<b>1,293</b>
<b>Total Assets</b>	<b>\$ 131,425</b>	<b>\$ 111,964</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 759	\$ 7,302
Revenue payable	1,193	2,063
Accrued and other liabilities	4,764	10,011
Flow-through shares liability	15	1,233
Notes payable - current	0	7,500
Interest payable	429	952
<b>Total Current Liabilities</b>	<b>7,160</b>	<b>29,061</b>
Asset retirement obligation	1,721	1,871
Fair value of derivative instruments - long term	313	0
Bank debt - long term	13,219	19,350
Series A & B Convertible Notes	50,195	0
<b>Total Non-Current Liabilities</b>	<b>65,448</b>	<b>21,221</b>
<b>Total Liabilities</b>	<b>72,608</b>	<b>50,282</b>
Commitments and contingencies	-	-
<b>STOCKHOLDERS' EQUITY:</b>		
	69,759	69,518

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Common Stock, without par value, unlimited common shares authorized,  
issued and outstanding: 81,004,820 at March 31, 2007 and 80,429,820 at  
December 31, 2006

Contributed surplus	6,137	4,910
Accumulated other comprehensive income	5,483	3,877
Accumulated deficit	(22,562)	(16,623)
Total Stockholders' Equity		