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ASSURE ENERGY INC
Form 8-K/A
October 10, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT

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

Date of Report (Date of earliest event reported) July 28, 2003

ASSURE ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware	333-61714	13-4125563
-----	-----	-----
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)

2750-140 4th Avenue, S.W., Calgary, Alberta	T2P 3N3
-----	-----

(Address of principal executive offices) (Zip Code)

(403) 266-2787

(Registrant's Telephone Number, Including Area Code)

(Former Name, Former Address, and Former Fiscal Year, if Changed Since
Last Report.)

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ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(b) Pro Forma Financial Information.

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(c) Exhibits:

- 2.1 Share Purchase Agreement dated March 6, 2003 by and among Assure Energy, Inc., and Al J. Kroontje, Trevor G. Penford, Karen Brawley-Hogg, Donald J. Brown, Troon Investments, Ltd., and Quarry Oil & Gas, Ltd. (1)
- 2.2 Amending Agreement dated March 26, 2003 to March 6, 2003 Share Purchase Agreement. (1)
- 2.3 Amending Agreement No. 2 dated April 11, 2003 to March 6, 2003 Share Purchase Agreement. (1)

(1) Previously filed with Registrant's Form 8K dated July 28, 2003 as filed with the Securities and Exchange Commission on August 11, 2003.

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

ASSURE ENERGY, INC.

Dated: October 10, 2003

By: /s/ Harvey Lalach

Harvey Lalach, President

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ITEM 7(b). PRO FORMA FINANCIAL STATEMENTS (UNAUDITED)

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
ASSURE ENERGY, INC.

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Assure Energy, Inc. And Subsidiaries
 Pro Forma Financial Statements
 June 30, 2003

The following unaudited pro forma condensed consolidated balance sheet and results of operations relate to the purchase of Quarry Oil & Gas, Ltd by Assure Energy, Inc. The pro forma financial information for both Assure Energy, Inc and Quarry Oil & Gas Ltd is as of and for the six months ended June 30, 2003 and assumes the acquisition had occurred as of January 1, 2003, giving effect to any purchase accounting adjustments. In addition, condensed consolidated results of operations for the year ended December 31, 2002 assuming the acquisition occurred at January 1 2002, giving effect to any purchase accounting adjustments is also included.

Assure acquired a total of 6,750,000 shares of Quarry Oil & Gas Ltd. pursuant to an agreement dated March 6, 2003. These shares together with 169,900 shares previously purchased by Assure represent approximately 48.5% of the outstanding common stock of Quarry. The aggregate purchase price for the 6,750,000 Quarry shares was approximately \$6,400,000 which was paid in cash.

The pro forma information is for informational purposes only and may not necessarily reflect the results of operations had Quarry been operated as part of the Company since January 1, 2003.

ASSURE ENERGY, INC. AND SUBSIDIARIES
 PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
 JUNE 30, 2003
 (UNAUDITED)

	Assure Energy, Inc.	Quarry Oil & Gas Ltd
	-----	-----
ASSETS		
Total current assets	\$ 9,827,079	\$ 942,040
Restricted cash	64,267	-
Marketable securities - available for sale	138,108	-
Investment	-	253,482
Note receivable	-	742,700
Property and equipment, net	4,951,951	13,999,083
	-----	-----
	\$ 14,981,405	\$ 15,937,305
	=====	=====

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LIABILITIES AND STOCKHOLDERS' EQUITY

Total current liabilities	\$ 979,463	\$ 8,193,599
Deferred income tax payable	69,611	2,346,405
Long term debt	5,191,139	-
Obligation for site restoration	83,580	133,641
	6,323,793	10,673,645
Minority interest	-	-
Stockholders' Equity		
Preferred stock; 4,977,250 shares authorized Series A; stated value \$100, 5% cumulative dividend, 17,500 shares authorized, issued and outstanding	1,750,000	-
Series B; stated value \$100, 5% cumulative dividend, 5,250 shares authorized, issued and outstanding	525,000	-
Common stock: \$0.001 par value, 100,000,000 shares authorized, 16,433,000 shares issued and outstanding	16,433	1,374,415
Additional paid in capital	6,635,292	-
Accumulated other comprehensive income	1,506,744	2,241,260
Retained earnings (deficit)	(1,775,857)	1,647,985
	8,657,612	5,263,660
Total Stockholders' Equity	\$ 14,981,405	\$ 15,937,305

See accompanying notes to consolidated financial statements.

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ASSURE ENERGY, INC. AND SUBSIDIARIES
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
SIX MONTHS ENDED JUNE 30, 2003
(UNAUDITED)

	Assure Energy, Inc.	Quarry Oil & Gas Ltd	Ad
Total revenue	\$ 1,958,371	\$ 4,950,843	\$
Royalties expense	400,996	953,871	
Net oil and gas revenue	1,557,375	3,996,972	

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Expenses:		
Production	377,010	1,291,675
Depreciation, depletion and site restoration	1,087,124	1,000,684
Interest	393,791	172,436
General and administrative	559,667	251,807
Unrealized gain on commodity trading	-	(504,658)
	-----	-----
Total expenses	2,417,592	2,211,944
	-----	-----
Income (loss) before provision for income taxes and minority interest	(860,217)	1,785,028
Provision for income taxes	54,488	573,325
Minority interest	-	-
	-----	-----
Net income (loss)	\$ (914,705)	\$ 1,211,703
	=====	=====
Basic and diluted net loss per common share		
Basic weighted average shares outstanding		

See accompanying notes to consolidated financial statements.

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ASSURE ENERGY, INC. AND SUBSIDIARIES
PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
(UNAUDITED)

	Year Ended December 31, 2002 Assure Energy, Inc.	Year Ended September 30, 2002 Quarry Oil & Gas Ltd
	-----	-----
Total revenue	\$ 1,136,896	\$ 4,260,020
Royalties expense	174,693	617,871
	-----	-----
Net oil and gas revenue	962,203	3,642,149
Expenses:		
Production	299,622	1,466,071
Depreciation, depletion and site restoration	724,247	642,002
Interest	24,178	182,532
General and administrative	677,932	319,664
Unrealized loss on commodity trading	-	329,218
	-----	-----

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Total expenses	1,725,979	2,939,487
	-----	-----
Income (loss) before provision for income taxes and minority interest	(763,776)	702,662
Provision for income taxes	28,386	232,627
Minority interest	-	-
	-----	-----
Net income (loss)	\$ (792,162)	\$ 470,035
	=====	=====

Basic and diluted net loss per common share

Basic weighted average shares outstanding

See accompanying notes to consolidated financial statements.

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Assure Energy, Inc. And Subsidiaries
Notes To Pro Forma Condensed Consolidated Financial Statements
June 30, 2003
(Unaudited)

Note 1 - The pro forma adjustments to the condensed consolidated balance sheet and results of operations as of and for the six months ended June 30, 2003, are as follows:

- (1) To record spin off of selected Quarry Assets as a dividend prior to the acquisition.
- (2) To record purchase of Quarry.
- (3) To record initial minority interest at June 30, 2003.
- (4) To record additional depletion based upon the purchase price.
- (5) To record minority interest.

Note 2 - The pro forma adjustments to the condensed consolidated results of operations for the year ended December 31, 2002, are as follows

- (1) To record additional depletion based upon purchase price.
- (2) To record minority interest for the year ended December 31, 2002.

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