

Village Bank & Trust Financial Corp.  
 Form 4  
 July 26, 2013

**FORM 4**

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

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**WINFREE THOMAS W**

2. Issuer Name and Ticker or Trading Symbol  
**Village Bank & Trust Financial Corp. [VBFC]**

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
**PO BOX 330**  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
**07/15/2013**

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**President/CEO**

**MIDLOTHIAN, VA 23113**  
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. D	S
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option - ISO 105	\$ 1.58	07/15/2013			A		9,145		07/15/2016	07/15/2023	Common Stock	9,145
Stock Option - ISO 112	\$ 1.58	07/15/2013			A		5,000		07/15/2016	07/15/2023	Common Stock	5,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
WINFREE THOMAS W PO BOX 330 MIDLOTHIAN, VA 23113	X		President/CEO	

## Signatures

Thomas W.  
Winfree 07/26/2013

\*\*Signature of Reporting Person Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. 7.05 million shares.

In 2006, the Company granted stock options covering 1.88 million shares of common stock to employees of the Company. The options have exercise prices ranging from \$9.80 to \$16.04 with a weighted average price of \$11.94. These options vest over a three year period at a rate of one-third on the annual anniversary date of the grant and expire ten years from the grant date.

In connection with the Company's merger with KCS, the Company converted legacy KCS stock options into a total of 2.59 million Petrohawk stock options on July 12, 2006. These options vest over a three-year period and expire ten years after the date of grant. Weighted average grant date fair value of the options was determined to be \$9.81 per share, using the Black-Scholes fair value method. The Company recognized \$0.9 million in compensation cost for the year ended December 31, 2006 and will recognize \$1.2 million in future periods related to these options.

In 2005, the Company granted stock options covering 1.40 million shares of common stock to employees of the Company. The options vest over a three-year period with one-third vesting on the date of grant, one-third one year from the date of the grant and the remaining one-third two years from the date of the grant. The options have exercise prices ranging from \$0.52 to \$11.52 with a weighted average price of \$9.37. These

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options expire ten years from the grant date.

In 2004, the Company granted stock options out of the 2004 Plan covering 0.72 million shares of common stock to employees of the Company. The options will vest over a two-year period with one-third vesting on the date of grant, one-third in one year from the date of the grant and the remaining one-third in two years from the date of the grant. The options have an average exercise price of \$7.53 per share and will expire ten years from the date of grant.

For the years ended December 31, 2006, 2005 and 2004, respectively, the Company has recognized \$8.2 million, \$3.8 million and \$3.5 million respectively, of non-cash stock compensation expense.

At December 31, 2006, 2.50 million options were available under the Plan for future issuance.

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### **2004 Non-Employee Director Incentive Plan**

In July 2004 the Company adopted the 2004 Non-Employee Director Plan covering 0.20 million shares. The plan provides for the grant of both incentive stock options and restricted shares of the Company's stock. This plan was designed to attract and retain the services of directors. At the adoption of the plan each non-employee director received 7,500 restricted shares of the Company's common stock and each new non-employee director would receive 7,500 shares of the Company's common stock. Additional grants of 5,000 restricted shares of the Company's common stock were issued to each non-employee director on each anniversary of his or her service. These shares vest over a six month period from the date of grant. Shares were issued under this plan for the years-ended December 31, 2006, 2005 and 2004, were 72,500 shares, 45,000 shares and 45,000 shares, respectively and there had been no forfeited or cancelled shares.

On July 12, 2006, the Company and its stockholders approved an amendment to the Company's 2004 Non-Employee Director Plan to increase the number of shares available for issuance thereunder from 0.4 million to 0.6 million shares. At December 31, 2006, 0.44 million options were available under the Plan for future issuance.

### **KCS and Mission Incentive Plans**

Upon consummation of the Company's merger with KCS, the Company assumed the KCS 2001 Plan, as amended, the KCS 2005 Plan, as amended, and associated obligations relating to grants of restricted stock, stock options and performance shares under those plans which were granted prior to the closing of the Company's merger with KCS. At December 31, 2006, 7.77 million Petrohawk options were available under the Plan for future issuance.

In conjunction with the Merger on July 28, 2005, the Company assumed three incentive plans related to Mission Resources. The three plans were the Mission 1994 Plan, Mission 1996 Plan and Mission 2004 Plan. At December 31, 2006, there were 0.3 million Petrohawk options available under these plans for future issuance.

### **8% Cumulative Convertible Preferred Stock**

On June 29, 2001 the Company completed its Private Placement Offering of 8% cumulative convertible preferred stock and common stock purchase warrants, offered as units of one preferred share and one-half of one warrant at \$9.25 per unit. Net proceeds received from the offering were approximately \$5.0 million net of estimated offering expenses, including brokers' commissions and other fees and expenses of \$0.5 million. The Company issued 0.6 million preferred shares and 0.15 million warrants to purchase a like number of shares of the Company's common stock at a price equal to the offering price or \$9.25 per share. Brokers were issued 29,888 non-callable warrants as part of their commission. All investors participating in the offering were accredited. The proceeds were used by the Company to help meet its capital requirements, including drilling costs and for other general corporate purposes.

In April 2006, the Company initiated a buyback of the preferred stock for \$9.25 per unit. On June 9, 2006, the Company sent the holders of the preferred shares notice of redemption as set forth in the certificate of designation for the preferred stock. On July 10, 2006, the Company completed the redemption of the preferred stock. As of December 31, 2006, there were no remaining preferred shares outstanding. All Class A and Class B warrants associated with the preferred stock expired on June 29, 2006.

### **Series B Preferred Stock**

In connection with the acquisition of Wynn-Crosby on November 23, 2004, the Company issued and sold 2.58 million shares of Series B 8% Automatically Convertible Preferred Stock (Series B Preferred Stock) for \$77.50 per share, for an aggregate offering amount of approximately \$200 million. The Company received

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approximately \$185 million in net proceeds from the offering. The Series B Preferred Stock was offered and sold pursuant to the private placement exception from registration provided in Regulation D, Rule 506, under Section 4(2) of the Act. Shares of the Series B preferred stock were offered and sold only to qualified institutional buyers as defined in Rule 144A of the Act with whom the placement agent had pre-existing relationships in reliance on applicable exemptions from registration provided under the Act. The placement agent received a commission of 6.0% in connection with the offering.

On December 31, 2004 each outstanding share of the Series B Preferred Stock converted into ten shares of common stock. Accordingly, 2.6 million shares of the Company's Series B Preferred Stock converted into 25.8 million shares of common stock.

**Treasury Stock**

In August 2004, the Company's Board of Directors terminated the stock repurchase program. During the quarter ended September 30, 2006, the Company retired its 8,382 treasury shares.

**9. INCOME TAXES**

Income tax (provision) benefit for the indicated periods is comprised of the following:

	Years Ended December 31,		
	2006	2005	2004
	<i>(In thousands)</i>		
<b>Current:</b>			
Federal	\$ (2,069)	\$ (217)	\$ 24
State	(65)	(253)	
	(2,134)	(470)	24
<b>Deferred:</b>			
Federal	(66,337)	9,088	(641)
State	(4,064)	445	(512)
	(70,401)	9,533	(1,153)
Total (provision) benefit	\$ (72,535)	\$ 9,063	\$ (1,129)

The actual income tax (provision) benefit differs from the expected tax (provision) benefit as computed by applying the U.S. Federal corporate income tax rate of 35% for each period as follows:

	Years Ended December 31,		
	2006	2005	2004
	<i>(In thousands)</i>		
Amount of expected tax (provision) benefit	\$ (66,184)	\$ 8,994	\$ (3,144)
State taxes, net	(3,818)	625	(338)
Valuation allowance	(191)	(500)	2,352
Other	(2,342)	(56)	1
Total (provision) benefit	\$ (72,535)	\$ 9,063	\$ (1,129)



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The components of net deferred tax assets and liabilities recognized are as follows:

	December 31, 2006                      2005 <i>(In thousands)</i>	
<b>Deferred current tax assets:</b>		
Unrealized hedging transactions	\$	\$ 18,304
Deferred current tax assets	\$	\$ 18,304
<b>Deferred current tax liabilities:</b>		
Unrealized hedging transactions	\$ (22,382)	\$
Deferred current tax liabilities	\$ (22,382)	\$
<b>Deferred noncurrent tax assets:</b>		
Net operating loss carry-forwards	\$ 112,175	\$ 45,825
Stock-based compensation expense	4,189	2,596
Unrealized hedging transactions	3,772	12,294
Alternative minimum tax credit carryforwards	7,368	217
Other	(2,312)	94
Gross deferred noncurrent tax assets	125,192	61,026
Valuation allowance	(692)	(500)
Net deferred noncurrent tax assets	\$ 124,500	\$ 60,526
<b>Deferred noncurrent tax liabilities:</b>		
Book-tax differences in property basis	\$ (758,383)	\$ (213,681)
Net long-term deferred tax liabilities	\$ (633,883)	\$ (153,155)

As of December 31, 2006, the Company had available, to reduce future taxable income, a U.S. federal regular net operating loss (NOL) carryforward of approximately \$309.3 million, and a U.S. federal alternative minimum tax NOL carryforward of approximately \$44.5 million, which expire in the years 2017 through 2024. Utilization of NOL carryforwards is subject to annual limitations due to stock ownership changes. The tax net operating loss carryforward may be limited by other factors as well. The Company also has various state NOL carryforwards, reduced by the valuation allowance for losses that the Company anticipates will expire before they can be utilized, totaling approximately \$66.5 million at December 31, 2006, with varying lengths of allowable carryforward periods ranging from five to 20 years that can be used to offset future state taxable income. It is expected that these deferred tax benefits will be utilized prior to their expiration.

**10. RELATED PARTY TRANSACTIONS**

On May 25, 2004, PHAWK, LLC (formerly known as Petrohawk Energy, LLC) (PHAWK), which is owned by affiliates of EnCap Investments, L.P., Liberty Energy Holdings LLC, Floyd C. Wilson and other members of the Company's management, purchased a controlling interest in the Company for \$60 million in cash. The \$60 million investment was structured as the purchase by PHAWK of 7.576 million shares of common stock for \$25 million, a \$35 million five year 8% subordinated note convertible into approximately 8.75 million shares of common stock and warrants to purchase 5 million shares of common stock at a price of \$3.30 per share (after giving effect to a one-for-two reverse split of the Company's common stock implemented in May 2004). In connection with the investment by PHAWK, Mr. Wilson was named Chairman, President and Chief Executive Officer, the Company's board of directors and other management was changed, and the corporate offices were relocated from Tulsa, Oklahoma to Houston, Texas. Also, at the annual stockholders meeting held July 15, 2004, the Company's stockholders approved changing the name of the company to Petrohawk Energy Corporation (from Beta Oil & Gas, Inc.), reincorporating the company in Delaware, and the adoption of new stock option plans.





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On June 30, 2005, the Company entered into an agreement with PHAWK to convert the Company's \$35 million note payable to PHAWK to common stock as stipulated in the original agreement. The original agreement contained a provision providing for conversion into 8.75 million shares of Petrohawk common stock at any time after May 25, 2006. In consideration of the early conversion, the Company agreed to make a payment of \$2.4 million, which represented the interest payable on the note through May 25, 2006, discounted at 10%. In conjunction with the conversion, the Company expensed \$1.1 million of net debt issuance costs that were being amortized over the remaining life of the note. These charges are reflected in interest expense and other on the consolidated statement of operations.

A Special Committee of one disinterested director was formed by the Company's board of directors to evaluate the transaction. On June 30, 2005, the Special Committee approved the transaction.

On August 11, 2004 the Company purchased working interests in certain oil and natural gas properties and various other assets from PHAWK for \$8.5 million. The effective date of the acquisition was June 1, 2004. Since the Company and PHAWK were under common control, the assets were recorded by the Company at the net book value of PHAWK at the time of the sale. The purchase price exceeded the net book value by approximately \$5.6 million. The excess was reflected as a return of capital to PHAWK on the consolidated statement of operations.

A special committee of one disinterested director was formed by the Company's board of directors to evaluate, negotiate and complete the purchase. The Special Committee hired an independent reservoir engineering firm to provide a reserve evaluation and engaged an independent financial advisor to evaluate the fairness, from a financial point of view, to the Company. The independent financial advisor rendered a fairness opinion to the Special Committee.

In February 2006, the Company repurchased approximately 3.3 million shares of its common stock held by EnCap Investments, L.P., and certain of its affiliates, at a price per share equal to the net proceeds per share that the Company received from a private offering of 13.0 million of its common shares that closed on the same day as the EnCap purchase. The 3.3 million shares were repurchased for \$46.2 million.

**Table of Contents****11. NET INCOME (LOSS) PER COMMON SHARE**

The following represents the calculation of net income (loss) per common share (in thousands, except per share data):

	Years Ended December 31,		
	2006	2005	2004
<i>(In thousands, except per share amounts)</i>			
<b>Basic</b>			
Net income (loss)	\$ 116,563	\$ (16,634)	\$ 8,117
Less: preferred dividends	(217)	(440)	(445)
Net income (loss) available to common stockholders	\$ 116,346	\$ (17,074)	\$ 7,672
Weighted average number of shares	122,452	54,752	10,808
Basic earnings (loss) per share	\$ 0.95	\$ (0.31)	\$ 0.71
<b>Diluted</b>			
Net income (loss)	\$ 116,346	\$ (17,074)	\$ 7,672
Plus: preferred dividends	217		445
Plus: Interest on 8% subordinated convertible note payable (net of tax)			1,072
Net income (loss) available to common stockholders	\$ 116,563	\$ (17,074)	\$ 9,189
Weighted average number of shares	122,452	54,752	10,808
Common stock equivalent shares representing shares issuable upon exercise of stock options	989	Anti-dilutive	327
Common stock equivalent shares representing shares issuable upon exercise of warrants	1,251	Anti-dilutive	2,826
Common stock equivalent shares representing shares included upon vesting of restricted shares	1,443	Anti-dilutive	
Common stock equivalent shares representing shares as-if conversion of note payable		Anti-dilutive	8,750
Common stock equivalent shares representing shares as-if conversion of preferred shares		Anti-dilutive	2,979
Weighted average number of shares used in calculation of diluted income (loss) per share	126,135	54,752	25,690
Diluted earnings (loss) per share	\$ 0.92	\$ (0.31)	\$ 0.36

The following common stock equivalents were not included in the computation for diluted earnings (loss) per share because their effects would be antidilutive.

Common Stock Equivalents:	Years Ended December 31,		
	2006	2005	2004
<i>(In thousands)</i>			
Options	894	2,779	99
Warrants	18	2,919	805
As-if conversion of Preferred stock		294	
	912	5,992	904



**Table of Contents****12. ADDITIONAL FINANCIAL STATEMENT INFORMATION**

Certain balance sheet amounts are comprised of the following:

	<b>December 31,</b>	
	<b>2006</b>	<b>2005</b>
	<i>(In thousands)</i>	
<b>Accounts receivable:</b>		
Oil and gas sales	\$ 107,003	\$ 48,369
Joint interest accounts	37,056	15,954
Income taxes receivable	5,453	
Other	6,070	3,764
	\$ 155,582	\$ 68,087
<b>Accounts payable and accrued liabilities:</b>		
Trade payables	\$ 31,565	\$ 16,379
Revenues and royalties payable to others	69,383	22,273
Accrued capital costs	111,252	23,610
Accrued interest expense	40,906	3,664
Accrued lease operating expenses	10,601	5,854
Accrued ad valorem taxes payable	7,086	2,690
Accrued employee compensation	2,649	1,610
Other	22,509	13,937
	\$ 295,951	\$ 90,017

Certain cash and non-cash related items:

	<b>Years Ended December 31,</b>		
	<b>2006</b>	<b>2005</b>	<b>2004</b>
	<i>(In thousands)</i>		
<b>Cash payments:</b>			
Interest payments	\$ 43,714	\$ 26,507	\$ 2,766
Income tax payments	\$ 4,847	\$ 24	\$
<b>Non-cash items excluded from the statement of cash flows:</b>			
Accrued capital expenditures	\$ 87,642	\$ 6,005	\$ 1,915

**Table of Contents****SUPPLEMENTAL OIL AND GAS INFORMATION (UNAUDITED)****Oil and Natural Gas Reserves**

Users of this information should be aware that the process of estimating quantities of proved and proved developed oil and natural gas reserves is very complex, requiring significant subjective decisions in the evaluation of all available geological, engineering and economic data for each reservoir. The data for a given reservoir may also change substantially over time as a result of numerous factors including, but not limited to, additional development activity, evolving production history and continual reassessment of the viability of production under varying economic conditions. As a result, revisions to existing reserve estimates may occur from time to time. Although every reasonable effort is made to ensure reserve estimates reported represent the most accurate assessments possible, the subjective decisions and variances in available data for various reservoirs make these estimates generally less precise than other estimates included in the financial statement disclosures.

Proved reserves represent estimated quantities of natural gas, crude oil and condensate that geological and engineering data demonstrate, with reasonable certainty, to be recoverable in future years from known reservoirs under economic and operating conditions in effect when the estimates were made. Proved developed reserves are proved reserves expected to be recovered through wells and equipment in place and under operating methods used when the estimates were made.

Estimates of proved reserves at December 31, 2006 and 2005 were prepared by Netherland, Sewell & Associates, Inc. (Netherland, Sewell), the Company's independent consulting petroleum engineers. The December 31, 2004 proved reserve estimates were prepared by Netherland, Sewell with the exception of 26.2 Bcfe of proved reserves associated with royalty interest properties acquired from Wynn-Crosby and subsequently sold on February 25, 2005 which were not part of Netherland, Sewell's report. All proved reserves are located in the United States of America.

The following table illustrates the Company's estimated net proved reserves, including changes, and proved developed reserves for the periods indicated, as estimated by Netherland, Sewell. Natural gas liquids are included in oil reserves. Oil and natural gas liquids are based on the December 31, 2006 West Texas Intermediate posted price of \$57.75 per barrel and are adjusted by lease for quality, transportation fees, and regional price differentials. Gas prices are based on a December 31, 2006 Henry Hub spot market price of \$5.63 per MMBtu and are adjusted by lease for energy content, transportation fees, and regional price differentials. All prices are held constant in accordance with SEC guidelines.

	Proved Reserves		
	Oil (MBbls)	Gas (MMcf)	Equivalent (MMcfe)
Proved reserves, January 1, 2004	1,308	22,400	30,245
Extensions and discoveries	93	3,902	4,458
Purchase of minerals in place	8,205	138,835	188,064
Production	(244)	(3,569)	(5,030)
Revision of previous estimates	339	(690)	1,347
Proved reserves, December 31, 2004	9,701	160,878	219,084
Extensions and discoveries	1,409	19,905	28,359
Purchase of minerals in place	20,285	111,079	232,789
Production	(1,555)	(20,219)	(29,549)
Sale of minerals in place	(2,723)	(12,670)	(29,008)
Revision of previous estimates	2,115	2,904	15,594
Proved reserves, December 31, 2005	29,232	261,877	437,269

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	Proved Reserves		
	Oil (MBbls)	Gas (MMcf)	Equivalent (MMcfe)
Extensions and discoveries	4,379	268,906	295,180
Purchase of minerals in place	9,015	482,762	536,852
Production	(3,203)	(60,642)	(79,863)
Sale of minerals in place	(7,024)	(37,677)	(79,821)
Technical revisions	(775)	5,790	1,140
Price revisions	(460)	(31,880)	(34,637)
Proved reserves, December 31, 2006	31,164	889,136	1,076,120

	Proved Developed Reserves		
	Oil (Mbls)	Gas (MMcf)	Equivalent (MMcfe)
December 31, 2004	8,504	119,733	170,756
December 31, 2005	22,398	177,603	311,990
December 31, 2006	23,188	534,561	673,688

**Capitalized Costs Relating to Oil and Natural Gas Producing Activities**

The following table illustrates the total amount of capitalized costs relating to oil and natural gas producing activities and the total amount of related accumulated depreciation, depletion and amortization (in thousands).

	2006	December 31, 2005	2004
Evaluated properties	\$ 2,903,763	\$ 1,098,553	\$ 485,251
Unevaluated properties	537,611	162,133	49,547
	3,441,374	1,260,686	534,798
Accumulated depreciation, depletion and amortization	(379,984)	(122,301)	(49,473)
	\$ 3,061,390	\$ 1,138,385	\$ 485,325

**Costs Incurred in Oil and Natural Gas Property Acquisition, Exploration and Development Activities**

The Costs Incurred in Oil and Natural Gas Property Acquisition, Exploration and Development Activities table has been restated to combine asset retirement costs with Property acquisition costs, proved and Development costs.

Costs incurred in property acquisition, exploration and development activities were as follows (in thousands):

	Years Ended December 31,					
	2006		2005		2004	
	As Previously Reported	As Restated	As Previously Reported	As Restated	As Previously Reported	As Restated
Property acquisition costs, proved	\$ 1,390,504	\$ 1,406,489	\$ 562,499	\$ 600,972	\$ 387,063	\$ 397,888
Property acquisition costs, unproved	517,695	517,695	107,664	107,664	50,423	50,423
Exploration and extension well costs	337,076	337,076	35,083	35,083	5,972	5,972
Development costs	150,112	152,335	67,457	67,912	5,395	5,936
Asset retirement costs	18,208		38,928		11,366	

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Total costs	\$ 2,413,595	\$ 2,413,595	\$ 811,631	\$ 811,631	\$ 460,219	\$ 460,219
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**Table of Contents****Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Natural Gas Reserves**

The following information has been developed utilizing SFAS 69, *Disclosures about Oil and Gas Producing Activities*, (SFAS 69) procedures and based on oil and natural gas reserve and production volumes estimated by the Company's engineering staff. It can be used for some comparisons, but should not be the only method used to evaluate the Company or its performance. Further, the information in the following table may not represent realistic assessments of future cash flows, nor should the Standardized Measure of Discounted Future Net Cash Flow be viewed as representative of the current value of the Company.

The Company believes that the following factors should be taken into account when reviewing the following information:

future costs and selling prices will probably differ from those required to be used in these calculations;

due to future market conditions and governmental regulations, actual rates of production in future years may vary significantly from the rate of production assumed in the calculations;

a 10% discount rate may not be reasonable as a measure of the relative risk inherent in realizing future net oil and natural gas revenues; and

future net revenues may be subject to different rates of income taxation.

Under the Standardized Measure, future cash inflows were estimated by applying year-end oil and natural gas prices to the estimated future production of year-end proved reserves. Estimates of future income taxes are computed using current statutory income tax rates including consideration for estimated future statutory depletion and tax credits. The resulting net cash flows are reduced to present value amounts by applying a 10% discount factor. Use of a 10% discount rate and year-end prices are required by SFAS 69.

The Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Natural Gas Reserves table has been restated to correct the amount of future income tax expense recognized and correct the methodology utilized in the discount calculation including consideration of the annual impact of income taxes in future periods.

The Standardized Measure is as follows (in thousands):

	Years Ended December 31,					
	2006		2005		2004	
	Previously Reported	As Restated	Previously Reported	As Restated	Previously Reported	As Restated
Future cash inflows	\$ 6,492,900	\$ 6,492,900	\$ 3,636,669	\$ 3,636,669	\$ 1,347,069	\$ 1,347,069
Future production costs	(1,703,787)	(1,703,787)	(988,796)	(988,796)	(376,814)	(376,814)
Future development costs	(1,044,147)	(1,044,147)	(255,800)	(255,800)	(78,825)	(78,825)
Future net cash flows before income taxes	3,744,966	3,744,966	2,392,073	2,392,073	891,430	891,430
Future income tax expense	(827,000)	(1,004,896)	(620,660)	(669,018)	(171,148)	(171,201)
Future net cash flows before 10% discount	2,917,966	2,740,070	1,771,413	1,723,055	720,282	720,229
10% annual discount for estimated timing of cash flows	(1,734,085)	(1,170,023)	(1,029,372)	(699,336)	(337,265)	(307,359)
	\$ 1,183,881	\$ 1,570,047	\$ 742,041	\$ 1,023,719	\$ 383,017	\$ 412,870



Standardized measure of discounted future net  
cash flows

**Table of Contents****Changes in Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Natural Gas Reserves**

The Changes in Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Natural Gas Reserves table has been restated to correct Changes in income taxes, net and add Development costs incurred in addition to line items miscalculated in our Annual Report on Form 10-K for the fiscal year ended December 31, 2006, originally filed on February 28, 2007.

The following is a summary of the changes in the Standardized Measure of discounted future net cash flows for the Company's proved oil and natural gas reserves during each of the years in the three year period ended December 31, 2006 (in thousands).

	Years Ended December 31,					
	2006		2005		2004	
	Previously Reported	As Restated	Previously Reported	As Restated	Previously Reported	As Restated
Beginning of year	\$ 742,041	\$ 1,023,719	\$ 383,017	\$ 412,870	\$ 48,333	\$ 48,333
Sale of oil and gas produced, net of production costs	(84,180)	(459,881)	(257,622)	(203,463)	(25,219)	(25,398)
Purchase of minerals in place	1,484,511	1,484,511	695,811	695,811	476,716	476,716
Sales of minerals in place	(284,411)	(265,315)	(71,585)	(71,585)	(162)	(162)
Extensions and discoveries	340,975	353,392	148,154	148,154	13,196	13,196
Changes in income taxes, net	(110,795)	(84,094)	(256,222)	(288,240)	(71,488)	(65,224)
Changes in prices and costs	(817,917)	(486,834)	222,188	286,069	(20,183)	(14,247)
Development costs incurred		(152,335)		(67,912)		(5,936)
Revisions of previous quantities	(28,961)	(48,142)	(147,275)	53,179	(65,451)	(65,451)
Accretion of discount	136,270	225,683	47,470	79,868	4,833	10,443
Changes in production rates and other	(193,652)	(20,657)	(21,895)	(21,032)	22,442	40,600
End of year	\$ 1,183,881	\$ 1,570,047	\$ 742,041	\$ 1,023,719	\$ 383,017	\$ 412,870

**Table of Contents****SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)**

The following table presents selected quarterly financial data derived from the Company's consolidated financial statements. The following data is only a summary and should be read with the Company's historical consolidated financial statements and related notes contained in this document. The acquisition of KCS in 2006 and of Mission in 2005 affects the comparability between the consolidated financial data for the periods presented.

	Quarters Ended			
	March 31	June 30	September 30	December 31
	<i>(In thousands, except per share amounts)</i>			
<b>2006</b>				
Oil and gas sales	\$ 103,006	\$ 86,414	\$ 196,439	\$ 201,903
Income from operations	36,430	18,364	50,691	49,055
Net income <sup>(1)</sup>	32,939	4,853	52,656	26,115
Earnings per share of common stock:				
Basic	\$ 0.40	\$ 0.06	\$ 0.34	\$ 0.16
Diluted	\$ 0.39	\$ 0.06	\$ 0.33	\$ 0.15
<b>2005</b>				
Oil and gas sales	\$ 32,326	\$ 36,184	\$ 81,447	\$ 108,082
Income from operations	9,030	11,427	34,018	49,415
Net (loss) income <sup>(1)</sup>	(14,252)	(2,202)	(36,424)	36,244
(Loss) earnings per share of common stock:				
Basic	\$ (0.36)	\$ (0.06)	\$ (0.56)	\$ 0.49
Diluted	\$ (0.36)	\$ (0.06)	\$ (0.56)	\$ 0.48

<sup>(1)</sup> The volatility in net income (loss) is substantially due to the Company's accounting policy to mark derivative positions to market and not apply cash flow hedge accounting. See Note 7, *Derivative and Hedging Activity* for additional information.

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**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

**ITEM 9A. CONTROLS AND PROCEDURES**

*Management's Evaluation of Disclosure Controls and Procedures*

In accordance with Exchange Act Rules 13a-15 and 15d-15, we carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2006 to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

*Management's Report on Internal Control over Financial Reporting*

Management's report on internal control over financial reporting as of December 31, 2006 can be found on page 46 of the Financial Section of this report.

Management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2006, was audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which is included on page 47 of the Financial Section of this report.

*Changes in Internal Control over Financial Reporting*

There has been no change in our internal control over financial reporting that occurred during the three months ended December 31, 2006 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION**

None.

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**PART IV**

**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

(1) Consolidated Financial Statements:

The consolidated financial statements of the Company and its subsidiaries and report of independent public accountants listed in Section 8 of this Form 10-K/A are filed as a part of this Form 10-K/A.

(2) Consolidated Financial Statements Schedules:

All schedules are omitted because they are inapplicable or because the required information is contained in the financial statements or included in the notes thereto.

(3) Exhibits:

The following documents are included or incorporated as exhibits to this Form 10-K/A.

<b>Exhibit No.</b>	<b>Description</b>
2.1	Agreement and Plan of Merger, dated April 3, 2005 (and as amended through June 8, 2005), by and among Petrohawk Energy Corporation, Petrohawk Acquisition Corporation, and Mission Resources Corporation (Incorporated by reference to Annex A of our Registration Statement on Form S-4/A filed on June 22, 2005).
2.2	Agreement and Plan of Merger, dated October 13, 2004, among Petrohawk Energy Corporation, Wynn-Crosby Energy, Inc., Ronald W. Crosby and Paige L. Crosby (Incorporated by reference to Exhibit 2.1 of our Current Report on Form 8-K filed on November 24, 2004).
2.3	Agreement and Plan of Mergers, dated October 13, 2004, among Petrohawk Energy Corporation, Wynn-Crosby Energy, Inc., Wynn-Crosby 1994, Ltd.; Wynn-Crosby 1995, Ltd.; Wynn-Crosby 1996, Ltd.; Wynn-Crosby 1997, Ltd.; Wynn-Crosby 1998, Ltd.; Wynn-Crosby 1999, Ltd.; Wynn-Crosby 2000, Ltd.; Wynn-Crosby 2002, Ltd.; WCOG Properties, Ltd.; Kara Nicole Limited; Kristen Lee Limited; Eric Wynn Limited; Christopher David Limited; Paige Lee Limited; Bernadien Wynn Limited; Roger Lee Limited; and George Heaps Limited, and Ronald W. Crosby (Incorporated by reference to Exhibit 2.2 of our Current Report on Form 8-K filed on November 24, 2004).
2.4	Amendment to Agreement and Plan of Mergers among Petrohawk Energy Corporation, Wynn-Crosby Energy, Inc., Wynn-Crosby 1994, Ltd.; Wynn-Crosby 1995, Ltd.; Wynn-Crosby 1996, Ltd.; Wynn-Crosby 1997, Ltd.; Wynn-Crosby 1998, Ltd.; Wynn-Crosby 1999, Ltd.; Wynn-Crosby 2000, Ltd.; Wynn-Crosby 2002, Ltd.; WCOG Properties, Ltd.; Kara Nicole Limited; Kristen Lee Limited; Eric Wynn Limited; Christopher David Limited; Paige Lee Limited; Bernadien Wynn Limited; Roger Lee Limited; and George Heaps Limited, and Ronald W. Crosby, dated October 26, 2004 (Incorporated by reference to Exhibit 2.3 of our Current Report on Form 8-K filed on November 24, 2004).
2.5	Stock Purchase Agreement among Winwell Resources, Inc. and all of its Shareholders, as Sellers, and Petrohawk Energy Corporation, as Buyer, dated as of December 14, 2005 (Incorporated by reference to Exhibit 2.1 of our Current Report on Form 8-K filed December 20, 2005).
2.6	Asset Purchase Agreement among Redley Company, Burris Run Company and Red Clay Minerals, collectively as Seller, and Petrohawk Energy Corporation, as Buyer, dated as of December 14, 2005 (Incorporated by reference to Exhibit 2.2 of our Current Report on Form 8-K filed December 20, 2005).
2.7	First Amendment to Asset Purchase Agreement among Redley Company, Burris Run Company and Red Clay Minerals, collectively as Seller, and Petrohawk Energy Corporation, as Buyer, effective as of December 14, 2005 (Incorporated by reference to Exhibit 2.7 of our Annual Report on Form 10-K filed March 14, 2006).



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<b>Exhibit No.</b>	<b>Description</b>
2.8	Assignment Agreement between Petrohawk Properties, L.P. and Petrohawk Energy Corporation effective January 27, 2006 (Incorporated by reference to Exhibit 2.8 of our Annual Report on Form 10-K filed March 14, 2006).
2.9	Purchase and Sale Agreement executed January 14, 2005, by and between Wynn-Crosby 1994, Ltd., et al and Noble Royalties, Inc. d/b/a Brown Drake Royalties (Incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed on March 3, 2005).
2.10	Amendment to Purchase and Sale Agreement executed on February 15, 2005, by and between Wynn-Crosby 1994, Ltd., et al and Noble Royalty, Inc. d/b/a Brown Drake Royalties (Incorporated by reference to Exhibit 2.2 to our Current Report on Form 8-K filed on March 3, 2005).
2.11	Stock Purchase Agreement dated February 4, 2005 by and among Petrohawk Energy Corporation and Proton Oil & Gas Corporation, et al (Incorporated by reference to Exhibit 2.3 to our Current Report on Form 8-K filed on March 3, 2005).
2.12	Purchase and Sale Agreement between Petrohawk Energy Corporation and Petrohawk Properties, LP, together, as Seller, and Northstar GOM, LLC, as Buyer, dated February 3, 2006 (Incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed February 9, 2006).
2.13	Amended and Restated Agreement and Plan of Merger executed as of May 16, 2006, and effective as of April 20, 2006 by and among KCS Energy, Inc., Petrohawk Energy Corporation and Hawk Nest Corporation (Incorporated by reference to Exhibit 2.1 of our Current Report on Form 8-K filed May 18, 2006).
3.1	Certificate of Incorporation for Petrohawk Energy Corporation (Incorporated by reference to Exhibit 3.1 to our Form S-8 filed on July 29, 2004).
3.2	Certificate of Amendment to Certificate of Incorporation for Petrohawk Energy Corporation (Incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K filed on November 24, 2004).
3.3	Certificate of Amendment of Certificate of Incorporation of Petrohawk Energy Corporation (Incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K filed on August 3, 2005).
3.6	Amended and Restated Bylaws of Petrohawk Energy Corporation effective as of July 12, 2006 (Incorporated by reference to Exhibit 3.2 of our Current Report on Form 8-K filed on July 17, 2006).
3.7	Certificate of Amendment to Certificate of Incorporation of Petrohawk Energy Corporation (Incorporated by reference to Exhibit 3.1 of our Current Report on Form 8-K filed on July 17, 2006).
4.15	Indenture dated April 1, 2004 among KCS Energy, Inc., U.S. Bank National Association, as trustee, and the subsidiary guarantors named therein, relating to KCS Energy, Inc. s 7/8% senior notes due 2012 (Incorporated by reference to Exhibit 4.1 to KCS Energy, Inc. s Quarterly Report on Form 10-Q filed on May 10, 2004.)
4.16	First Supplemental Indenture, dated as of April 8, 2005, to Indenture dated as of April 1, 2004, among KCS Energy, Inc., certain of its subsidiaries and U.S. Bank National Association (Incorporated by reference to Exhibit 4.1 of KCS Energy, Inc. s Form 8-K filed on April 11, 2005.)
4.17	Second Supplemental Indenture dated July 12, 2006 among Petrohawk Energy Corporation, the successor by way of merger to KCS Energy, Inc., the parties named therein as guarantors, and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.4 to our Current Report on Form 8-K filed July 17, 2006).

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<b>Exhibit No.</b>	<b>Description</b>
4.18	Third Supplemental Indenture dated as of July 12, 2006 among Petrohawk Energy Corporation, the successor by way of merger to KCS Energy, Inc., the parties named therein as existing guarantors, the parties named therein as new guarantors, and U.S. Bank National Association, as trustee (Incorporated by reference to Exhibit 4.5 to our Current Report on Form 8-K filed July 17, 2006).
4.19	Indenture dated July 12, 2006 among Petrohawk Energy Corporation, U.S. Bank National Association, as trustee, and the subsidiary guarantors named therein, relating to Petrohawk Energy Corporation's 9 1/8 % senior notes due 2013 (Incorporated by reference to Exhibit 4.6 to our Current Report on Form 8-K filed July 17, 2006).
4.20	First Supplemental Indenture dated July 12, 2006 among Petrohawk Energy Corporation, U.S. Bank National Association, as trustee, and the subsidiary guarantors named therein (Incorporated by reference to Exhibit 4.7 to our Current Report on Form 8-K filed July 17, 2006).
4.21	Registration Rights Agreement dated July 12, 2006 among Petrohawk Energy Corporation, the Guarantors named therein, and the Initial Purchasers named therein (Incorporated by reference to Exhibit 4.3 to our Registration Statement on Form S-4 filed September 1, 2006)
4.22	Registration Rights Agreement dated July 12, 2006 among Petrohawk Energy Corporation, the Guarantors named therein, and the Initial Purchasers named therein (Incorporated by reference to Exhibit 4.4 to our Registration Statement on Form S-4 filed September 1, 2006).
10.1	The Petrohawk Energy Corporation Amended and Restated 1999 Incentive and Nonstatutory Stock Option Plan (Incorporated by reference to Exhibit 99.3 of our Current Report on Form 8-K filed on August 18, 2004).
10.2	The Petrohawk Energy Corporation Second Amended and Restated 2004 Non-Employee Director Incentive Plan (Incorporated by reference to Exhibit 4.1 to our Registration Statement No. 333-117733 on Form S-8 filed July 29, 2005).
10.3	Form of Stock Option Agreement for the Second Amended and Restated 2004 Non-Employee Director Incentive Plan (Incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q filed August 11, 2005).
10.4	Form of Restricted Stock Agreement for the Second Amended and Restated 2004 Non-Employee Director Incentive Plan (Incorporated by reference to Exhibit 10.4 of our Second Quarter 2005 Form 10-Q filed on August 11, 2005).
10.5	Form of Incentive Stock Agreement for the Second Amended and Restated 2004 Non-Employee Director Incentive Plan (Incorporated by reference to Exhibit 10.5 of our Second Quarter 2005 Form 10-Q filed on August 11, 2005).
10.6	The Petrohawk Energy Corporation Second Amended and Restated 2004 Employee Incentive Plan (Incorporated by reference to Exhibit 4.2 to our Registration Statement No. 333-117733 on Form S-8 filed July 29, 2005).
10.7	Form of Stock Option Agreement for the Second Amended and Restated 2004 Employee Incentive Plan (Incorporated by reference to Exhibit 10.3 of our Annual Report on Form 10-K filed March 14, 2006).
10.8	Form of Restricted Stock Agreement for the Second Amended and Restated 2004 Employee Incentive Plan (Incorporated by reference to Exhibit 10.8 of our Second Quarter 2005 Form 10-Q filed on August 11, 2005).
10.9	Form of Incentive Stock Agreement for the Second Amended and Restated 2004 Employee Incentive Plan (Incorporated by reference to Exhibit 10.9 of our Second Quarter 2005 Form 10-Q filed on August 11, 2005).



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<b>Exhibit No.</b>	<b>Description</b>
10.10	Mission Resources Corporation 1994 Stock Incentive Plan (Incorporated by reference to Exhibit 10.9 of Mission Resources Corporation's Registration Statement No. 33-76570 filed on March 17, 1994).
10.11	Mission Resources Corporation 1996 Stock Incentive Plan (Incorporated by reference to Exhibit A of Mission Resources Corporation's Proxy Statement on Schedule 14A filed on October 21, 1996).
10.12	Mission Resources Corporation 2004 Incentive Plan (Incorporated by reference to Appendix C to Mission Resources Corporation's Proxy Statement on Schedule 14A filed on March 30, 2004).
10.15	Form of Director and Officer Indemnity Agreement (Incorporated by reference to Exhibit 10.11 of our Annual Report on Form 10-K filed on March 31, 2005).
10.18	Stock Purchase Agreement between Petrohawk Energy Corporation and EnCap Investments, L.P., <i>et al.</i> , effective as of January 10, 2006 (Incorporated by reference to Exhibit 10.30 of our Annual Report on Form 10-K filed on March 14, 2006).
10.23	Second Amended and Restated Senior Revolving Credit Agreement dated July 12, 2006, among Petrohawk Energy Corporation, each of the Lenders from time to time party thereto, BNP Paribas, as administrative agent for the lenders, Bank of America, N.A. and BMO Capital Markets Financing, Inc., as co-syndication agents for the Lenders, and JPMorgan Chase Bank, N.A., Wells Fargo Bank, N.A. and Fortis Capital Corp., as co-documentation agents for the Lenders (Incorporated by reference to Exhibit 10.3 to our Current Report on Form 8-K filed July 17, 2006).
10.24	Amended and Restated Guarantee and Collateral Agreement dated July 12, 2006, made by Petrohawk Energy Corporation and each of its subsidiaries, as Grantors, in favor of BNP Paribas, as Administrative Agent (Incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed July 17, 2006).
10.25	First Amendment to Second Amended and Restated Senior Revolving Credit Agreement, dated as of July 12, 2006, between Petrohawk Energy Corporation, each of the lenders from time to time party thereto, BNP Paribas, as administrative agent for the lenders, Bank of America, N.A. and BMO Capital Markets Financing, Inc. as co-syndication agents for the lenders, and JPMorgan Chase Bank, N.A., Wells Fargo Bank, N.A. and Fortis Capital Corp. as co-documentation agents for the lenders (Incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed July 28, 2006).
10.26	First Amendment to the Petrohawk Energy Corporation Second Amended and Restated 2004 Employee Incentive Plan (Incorporated by reference to Exhibit 10.7 to our Quarterly Report on Form 10-Q filed August 9, 2006).
10.27	First Amendment to the Petrohawk Energy Corporation Second Amended and Restated 2004 Non-Employee Director Incentive Plan (Incorporated by reference to Exhibit 10.8 to our Quarterly Report on Form 10-Q filed August 9, 2006).
10.28	KCS Energy, Inc. 2001 Employee and Directors Stock Plan (Incorporated by reference to Exhibit (10)iii to KCS Energy, Inc.'s Annual Report on Form 10-K filed April 2, 2001), as amended by the Amendment to the KCS Energy, Inc. 2001 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.4 to KCS Energy, Inc.'s Current Report on Form 8-K filed April 25, 2006).
10.29	Form of Supplemental Stock Option Agreement under KCS Energy, Inc. 2001 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.6 of KCS Energy, Inc.'s Quarterly Report on Form 10-Q filed November 9, 2004).
10.30	Form of Directors Supplemental Stock Option Agreement under KCS Energy, Inc. 2001 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.7 of KCS Energy, Inc.'s Quarterly Report on Form 10-Q filed November 9, 2004).

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<b>Exhibit No.</b>	<b>Description</b>
10.31	Form of Restricted Stock Award Agreement under KCS Energy, Inc. 2001 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.8 of KCS Energy, Inc. s Quarterly Report on Form 10-Q filed November 9, 2004).
10.32	Form of Restricted Stock Award Agreement (with accelerated vesting provision) under 2001 KCS Energy, Inc. Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.9 of KCS Energy, Inc. s Quarterly Report on Form 10-Q filed November 9, 2004).
10.33	KCS Energy, Inc. 2005 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 4.8 to KCS Energy, Inc s Registration Statement on Form S-8 (File No. 333-125690) filed June 10, 2005), as amended by the First Amendment to KCS Energy, Inc. 2005 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.1 to KCS Energy, Inc. s Current Report on Form 8-K filed May 19, 2005).
10.34	Form of Supplemental Stock Option Agreement under KCS Energy, Inc. 2005 Employee and Directors Stock Plan and related Stock Option Exercise Agreement (Incorporated by reference to Exhibit 10.3 of KCS Energy, Inc. s Current Report on Form 8-K filed June 16, 2005).
10.35	Form of Supplemental Stock Option Agreement for Non-Employee Directors under KCS Energy, Inc. 2005 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.4 of KCS Energy, Inc s Current Report on Form 8-K filed June 16, 2005).
10.36	Form of Restricted Stock Award Agreement under KCS Energy, Inc. 2005 Employee and Directors Stock Plan (without accelerated vesting provision) and related Restricted Stock Award Certificate (Incorporated by reference to Exhibit 10.5 of KCS Energy, Inc s Current Report on Form 8-K filed June 16, 2005).
10.37	Form of Restricted Stock Award Agreement under KCS Energy, Inc. 2005 Employee and Directors Stock Plan (with accelerated vesting provision) and related Restricted Stock Award Certificate (Incorporated by reference to Exhibit 10.6 of KCS Energy, Inc. s Current Report on Form 8-K filed June 16, 2005).
10.38	Form of Amended and Restated Performance Share Award Certificate under KCS Energy, Inc. 2005 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.19 to our Quarterly Report on Form 10-Q filed November 3, 2006).
10.39	Form of Amendment to Restricted Stock Agreement under the KCS Energy, Inc. 2001 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.5 to KCS Energy, Inc. s Current Report on Form 8-K filed April 25, 2006).
10.40	Form of Amendment to Supplemental Stock Option Agreement under KCS Energy, Inc. s 2001 Employee and Directors Stock Plan (Incorporated by reference to Exhibit 10.5 to KCS Energy, Inc. s Current Report on Form 8-K filed April 25, 2006).
10.41	Executive Employment Agreement Form A for certain executives and Petrohawk Energy Corporation (incorporated by reference to the exhibit of the same number filed with the Registrants Annual Report on Form 10-K filed with the SEC on February 28, 2007).
10.42	Executive Employment Agreement Form B for certain executives and Petrohawk Energy Corporation (incorporated by reference to the exhibit of the same number filed with the Registrants Annual Report on Form 10-K filed with the SEC on February 28, 2007).
10.43	Amendment No. 2 to the KCS Energy, Inc. 2005 Employees and Directors Stock Plan (incorporated by reference to the exhibit of the same number filed with the Registrants Annual Report on Form 10-K filed with the SEC on February 28, 2007).
10.44	Amendment No. 2 to the KCS Energy, Inc. 2001 Employees and Directors Stock Plan (incorporated by reference to the exhibit of the same number filed with the Registrants Annual Report on Form 10-K filed with the SEC on February 28, 2007).

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<b>Exhibit No.</b>	<b>Description</b>
10.45	Amendment No. 1 to the Mission Resources Corporation 1996 Stock Incentive Plan (incorporated by reference to the exhibit of the same number filed with the Registrants Annual Report on Form 10-K filed with the SEC on February 28, 2007).
12.1	Computation of Ratio of Earnings to Combined Fixed Charges and Preference Dividends (incorporated by reference to the exhibit of the same number filed with the Registrants Annual Report on Form 10-K filed with the SEC on February 28, 2007).
14.1	Code of Ethics (Incorporated by reference to Exhibit D of the Definitive Proxy on Schedule 14A filed on June 23, 2004).
21.1	Subsidiaries of the Registrant (incorporated by reference to the exhibit of the same number filed with the Registrants Annual Report on Form 10-K filed with the SEC on February 28, 2007).
23.1*	Consent of Deloitte & Touche LLP
23.2*	Consent of Netherland, Sewell & Associates, Inc.
31.1*	Certificate of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certificate of Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002
32*	Certifications required by Rule 13a-14(b) or Rule 15d-14(b) under the Securities and Exchange Act of 1934 and 18 U.S.C. Section 1350.
99.1	Netherland, Sewell & Associates, Inc. Reserve Report

\* Exhibits designated by the symbol \* are filed with this Annual Report on Form 10-K/A. All exhibits not so designated are incorporated by reference to a prior filing with the SEC as indicated

The registrant has not filed with this report copies of the instruments defining rights of all holders of long-term debt of the registrant and its consolidated subsidiaries based upon the exception set forth in Item 601 (b)(4)(iii)(A) of Regulation S-K. Copies of such instruments will be furnished to the Securities and Exchange Commission upon request.

**Table of Contents****SIGNATURES**

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 thereunto duly authorized.

**PETROHAWK ENERGY CORPORATION**

Date: June 1, 2007

By: /s/ FLOYD C. WILSON  
**Floyd C. Wilson**  
**Chairman of the Board, President and**  
**Chief Executive Officer**

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
/s/ FLOYD C. WILSON <b>Floyd C. Wilson</b>	Chairman of the Board, President and Chief Executive Officer	June 1, 2007
/s/ SHANE M. BAYLESS <b>Shane M. Bayless</b>	Executive Vice President, Chief Financial Officer and Treasurer	June 1, 2007
/s/ MARK J. MIZE <b>Mark J. Mize</b>	Vice President, Chief Accounting Officer and Controller	June 1, 2007
/s/ JAMES W. CHRISTMAS <b>James W. Christmas</b>	Vice Chairman and Director	June 1, 2007
/s/ TUCKER S. BRIDWELL <b>Tucker S. Bridwell</b>	Director	June 1, 2007
/s/ THOMAS R. FULLER <b>Thomas R. Fuller</b>	Director	June 1, 2007
/s/ JAMES L. IRISH, III <b>James L. Irish, III</b>	Director	June 1, 2007
/s/ GARY A. MERRIMAN <b>Gary A. Merriman</b>	Director	June 1, 2007
/s/ ROBERT G. RAYNOLDS <b>Robert G. Raynolds</b>	Director	June 1, 2007

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/s/ ROBERT C. STONE, JR.

Director

June 1, 2007

**Robert C. Stone, Jr.**

/s/ CHRISTOPHER A. VIGGIANO

Director

June 1, 2007

**Christopher A. Viggiano**

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