

# Black Dragon Resource Companies, Inc.

## FORM 10-Q

(Quarterly Report)

Filed 03/04/21 for the Period Ending 6/30/20

Telephone	214-418-6940
Symbol	BDGR
SIC Code	1311 – Crude petroleum and natural gas
Fiscal Year	12/31

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

**FORM 10-Q**

[X] Quarterly Report Under Section 13 or 15(d) Of The Securities Exchange  
Act of 1934

**For the Quarterly Period ended June 30, 2020**

[ ] Transition Report pursuant to 13 or 15(d) of the Securities Exchange  
Act of 1934

**Black Dragon Resource Companies, Inc.**

(Exact name of small business issuer as specified in its charter)

Wyoming ----- (State or other jurisdiction of Incorporation or organization)	86-1968249 ----- (IRS Employer Identification No.)
---------------------------------------------------------------------------------------	-------------------------------------------------------------

1712 Pioneer Ave  
Cheyenne, WY 82001

(Address of principal executive offices)

214-418-6940  
(Issuer's telephone number)

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (ss.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

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

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:  
21,491,666,667 shares of \$0.001 par value common stock outstanding as of June 30, 2020.

# **BLACK DRAGON RESOURCE COMPANIES, INC.**

1712 Pioneer Ave  
Cheyenne, WY 82001

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214-418-6940  
www.bdgrnewco.com  
ir@bdgrnewco.com  
1311

## **Quarterly Report For the Period Ending: June 30, 2020**

As of June 30, 2020, the number of shares outstanding of our Common Stock was:

21,491,666,667

As of March 31, 2020, the number of shares outstanding of our Common Stock was:

21,491,666,667

As of December 31, 2019, the number of shares outstanding of our Common Stock was:

21,491,666,667

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

### **1) Name of the issuer and its predecessors (if any)**

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<sup>1</sup> "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)  
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The Issuer was originally incorporated as SEDT Card, Inc. in Delaware in 1998. It later in 2019 re-domiciled in Wyoming under its current name

Status: Active

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

The address(es) of the issuer's principal executive office:

1712 Pioneer Ave. Cheyenne, WY 82001

The address(es) of the issuer's principal place of business:

*Check box if principal executive office and principal place of business are the same address:* ☒

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

## 2) Security Information

Trading symbol: BDGR  
Exact title and class of securities outstanding:  
CUSIP: 09202W 106  
Par or stated value: .001

Total shares authorized: 30,000,000,000 as of date: 06/30/20  
Total shares outstanding: 21,491,666,667 as of date: 06/30/20  
Number of shares in the Public Float<sup>2</sup>: 21,974,190,139 as of date: 12/31/10  
Total number of shareholders of record: 121 as of date: 03/02/21

### Transfer Agent

Name: Signature Stock Transfer, INC.

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<sup>2</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

14673 Midway Road – Suite 220  
Addison, TX 75001

Phone: 972-612-4120  
Email: info@signaturestocktransfer.com

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

### 3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☒

Shares Outstanding as of Second Most Recent Fiscal Year End: <u>Opening Balance</u> Date _____ Common: Preferred:			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing.	Exemption or Registration Type.
Shares Outstanding on Date of This Report: <u>Ending Balance</u>									

<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

Date _____	Common:	
	Preferred:	

## B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities..

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☐

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)

Use the space below to provide any additional details, including footnotes to the table above:

## 4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP  
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>4</sup>:

Name: **Edward Vakser**

Title: CEO/Corporate Secretary

Relationship to Issuer: CEO/Corporate Secretary

Balance Sheet  
For the Period Ending June 30, 2020 (Unaudited)

	June 30, 2020	December 31, 2019
ASSETS		
Current Assets		
<b>Cash and Cash Equivalents</b>	0	0
<b>Oil and Gas Revenues Receivable</b>	0	0
<b>Accounts Receivable</b>	0	0
<b>Other Receivables</b>	0	0
<b>Notes Receivable</b>	<u>0</u>	<u>0</u>
Total Current Assets	<b>0</b>	<b>0</b>
Fixed Assets		
<b>Oil and Gas Properties</b>	0	0
<b>Less Accumulated Depreciation and Depletion</b>	<u>0</u>	<u>0</u>
Total Oil and Gas Properties	<b>0</b>	<b>0</b>
Other Assets		
<b>land</b>	<u>0</u>	<u>0</u>
Total Other Assets	<b>0</b>	<b>0</b>
Total Assets	<b><u>0</u></b>	<b><u>0</u></b>
LIABILITIES AND SHAREHOLDER EQUITY		
Current Liabilities		
<b>Accounts Payable (Trade)</b>	0	0
<b>Accrued Payables</b>	0	0
<b>Payroll Liabilities</b>	0	0
<b>Notes Payable</b>	<u>0</u>	<u>0</u>
Total Current Liabilities	<b>0</b>	<b>0</b>
Long Term Liabilities		
<b>Convertible Promissory Notes</b>	<u>0</u>	<u>0</u>
Total Liabilities	<b>0</b>	<b>0</b>
Shareholder Equity		
<b>Common Stock, par value \$0.001; 30,000,000,000 authorized; issued and outstanding 21,491,666,667</b>	2,209	2,209
<b>Preferred Stock par value \$0.001; 2,000,000</b>	0	0

shares authorized; issued and outstanding 1		
<u>Preferred stock par value</u> <u>\$0.001; 0 share</u>		

authorized, issued and outstanding 1	0	0
Additional Paid-in-Capital	0	0
Retained Earnings (deficit)	0	0
Net Income	<u>0</u>	<u>0</u>
Total Shareholder Equity	0	0
Total Liabilities and Shareholder Equity	<u>\$ 0</u>	<u>\$ 0</u>

Statement of Operations  
For the period ending June 30, 2020 (Unaudited)

	June 30, 2020	December 31, 2019
Operating Revenues		
	\$	\$
Oil and Gas Sales	0	0
Total Operating Revenue	0	0
Operating Costs and Expenses		
Oil and gas production/lifting costs	0	0
Production taxes	0	0
Compressing/Marketing Costs	0	0
Depreciation, amortization and depletion	0	0
General and administrative	<u>0</u>	<u>0</u>
Total Operating Costs	0	0
Other Income and (Expense)		
Interest Income	0	0
Interest Expense	0	0
Gain (loss) on sale of leases	0	0
Total Other Income and (Expense)	0	0
Net Profit (loss)	<u>\$ 0</u>	<u>\$ 0</u>



**Statement of Cash Flows**  
For the Period Ending June 30, 2020 (Unaudited)

	June 30, 2020	December 31, 2019
Cash Provided (Used) by Operating Activities	0	0
<b>Net Income (Loss)</b>		
<b>Adjustments to net income to reconcile net cash provided (used) by operations</b>		
Oil and Gas Receivables	0	0
Notes Receivable	0	0
Trade Accounts Payable	0	0
Accrued Payables	0	0
Total Net Cash Provided (Used) by Operating Activities		
	0	0
Cash Provided (Used) by Investing Activities		
Leasehold Interests	0	0
Depletion and Amortization	0	0
Total Net Cash Provided (Used) by Investing Activities	0	0
Cash Provided (Used) by Financing Activities		
Notes Payable	0	0
Convertible Notes	0	0
Total Net Cash Provided (Used) in Financing Activities	0	0
Net Cash (Decrease) for Period	\$ 0	\$ 0
Cash at the beginning of Period	\$ 0	\$ 0
Cash at End of Period	\$ 0	\$ 0

**Statement of Change in Shareholder Equity For**  
the Period Ending June 30, 2020 (Unaudited)

	Common Stock	Preferred Stock "D"	Preferred Stock "A"	Treasury Stock	Additional Paid in Capital	Earnings (Deficit)	Total
Balance as of Dec 31, 2019	2,209	0	1	0	0	0	0
Issuances of Common Stock	0				0		
Net Income for the Period						0	0
<b>Balance as of Jun. 30, 2020</b>	2,209	0	1	0	0	0	0

**Notes on Financial Statements**

- **Organization and Description of Business**

The accompanying financial statements as of and for the period ending June 30, 2020 are prepared using the accrual basis of accounting, in accordance with the Generally Accepted Accounting Principles in the United States of America (US GAAP) and have been consistently applied in the preparation of these financial statements.

- **Summary of Significant Accounting Policies**

Basis of Presentation

These financial statement and related notes are presented in accordance with accounting principles generally accepted in the United States and are expressed in US dollars. The Company's fiscal year end is December 31.

In the opinion of management, these financial statements reflect all adjustments, which include only normal recurring adjustments, necessary to present fairly the Company's financial position, results of operations and cash flows for the periods shown.

Use of Estimates

The preparation of financial statements in conformity with US generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company regularly evaluates estimates and assumptions related to the valuation of long-lived assets and oil and gas properties, stock-based compensation and deferred income tax asset valuation allowances. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Cash and Cash Equivalents

The Company considers all highly liquid instruments with maturity of three months or less at the time of issuance to be cash equivalents.

Earnings per Share

The Company computes earning per share in accordance with ASC 260, Earnings per Share. ASC 2260 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the income statement. Basic EPS is computed by dividing the earning available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and the convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used by determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive.

Comprehensive Loss

ASC 220, Comprehensive Income, establishes standards for the reporting and display of comprehensive loss and its components in the financial statements. As of June 30, 2020 and December 31, 2019, the Company has not items that represent a comprehensive loss and, therefore, has not included a schedule of comprehensive loss in the financial statements.

#### Oil and Gas Properties

None

#### Revenue Recognition

The Company recognizes oil and gas revenue when production is sold at a fixed or determinable price, persuasive evidence of an arrangement exists, delivery has occurred and title has transferred, and collectability is reasonably assured.

#### Long-Lived Assets

In accordance with ASC 360, *Property, Plant, and Equipment*, the Company tests long-lived assets or asset groups for recoverability when events or changes in circumstance indicate that their carrying amount may not be recoverable. Circumstances which could trigger a review include, but are not limited to: significant decreases in the market price of the asset; significant adverse changes in the business climate or legal factors; accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of its estimated useful life. Recoverability is assessed based on the carrying amount of the asset and its fair value which is generally determined based on the sum of the undiscounted cash flows expected to result from the use and the eventual disposal of the asset, as well as specific appraisal in certain instances. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value.

#### Asset Retirement Obligations

The Company follows the provision of 410, *Asset Retirement and Environmental Obligations*, which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment or other disposal of long-lived tangible assets arising from the acquisition, construction or development and for normal operations of such assets. The Company did not have any asset retirement obligation at June 30, 2020 and December 31, 2019.

#### Financial Instruments and Fair Value Measures

ASC 820, *Fair Value Measurements and Disclosures*, requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

##### *Level 1*

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

##### *Level 2*

Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

#### *Level 3*

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurements of the fair value of the assets or liabilities.

The Company's financial instruments consist principally of cash, amounts receivable, accounts payable, accrued liabilities, amounts due to related parties, and loans payable. Pursuant to ASC 820, *Fair Value Measurements and Disclosures* and ASC 825, *Financial Instruments*, the fair value of our cash equivalents is determined based on "Level 1" inputs, which consist of quoted prices in active markets for identical assets. The Company believes that the recorded values of all of the other financial instruments approximate their current fair values because of their nature and respective maturity dates or duration.

#### Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, *Income Taxes*. The asset and liability method provides that deferred tax asset and liabilities are recognized for the expected future tax consequence of temporary differences between the financial reporting and tax bases of assets and liabilities, and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

#### Deferred Financing Costs

In accordance with ASC 835-30, *Interest – Imputation of Interest*, the Company recognizes debt issue costs on the balance sheet as deferred charges and amortizes the balance over the term of the related debt. The Company follows the guidance in the ASC 230, *Statement of Cash Flows*, and classifies cash payments for debt issuance costs as a financing activity.

#### Recent Account Pronouncements

The Company has implemented all new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

- **Liquidity Issues**  
None
- **Oil and Gas Reserves**  
None
- **Accounts Receivable**  
None

- **Other Receivables**

None

- **Notes Receivable**

None

- **Other Property and Equipment**

None

**Land**

None

- **Notes Payable**

None

- **Treasury Stock**

None

**5) Issuer's Business, Products and Services**

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The Issuer produces oil and natural gas from wells in Louisiana and Texas. The issuer uses contract operators to service these wells. The Issuer researches and purchases additional oil and gas leases based on its management's evaluation of the potential return on investment.

B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

None

C. Describe the issuers' principal products or services, and their markets

**6) Issuer's Facilities**

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

N/A

**7) Officers, Directors, and Control Persons**

Name of Officer/Director or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Eddie Vakser</u>	<u>CEO</u>	<u>Plano, TX</u>	<u>1</u>	<u>Super K</u>	<u>69%</u>	<u>Voting only majority block</u>

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

No

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

No

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

N/A

## 9) Third Party Providers

### Securities Counsel

Name: Brian F. Faulkner  
Firm: Brian F. Faulkner, A Professional Law Corporation  
Address 1: 27127 Calle Arroyo  
Suite 1923  
San Juan Capistrano, CA 92675  
Phone: 949-240-1361  
Email: briffaulk@aol.com

## 10) Issuer Certification

I, Edward Vakser certify that:

1. I have reviewed this 10-Q Q2 quarterly report for Black Dragon Resource Companies, INC.
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

03/04/2021

/s/ Edward Vakser

Edward Vakser, CEO/Corporate Secretary