

HAYNES BOONE

Oil Patch Bankruptcy
Monitor

January 31, 2022



OIL PATCH BANKRUPTCY MONITOR – FINAL REPORT

Haynes Boone has monitored North American oil and gas producer Chapter 11 bankruptcies since 2015. This is our final report, which covers new cases filed during 2021. Over the past seven years, there have been 274 oil and gas producer bankruptcies. In the same period, 330 oilfield services and midstream companies have filed for bankruptcy, bringing the combined North American industry total to more than 600 industry bankruptcies involving over \$321 billion in secured and unsecured debt.

When we began our report in early 2015, it was clear that our industry was about to enter rough seas facing stiff head winds. OPEC had declared its intention to take back market share from the prolific U.S. shale producers over Thanksgiving weekend in 2014, and prices were dropping precipitously as 2015 began. We expected to see some bankruptcy activity for a while and began to track bankruptcy filings by producers and oilfield services companies. We never expected to see so many bankruptcies for so long.

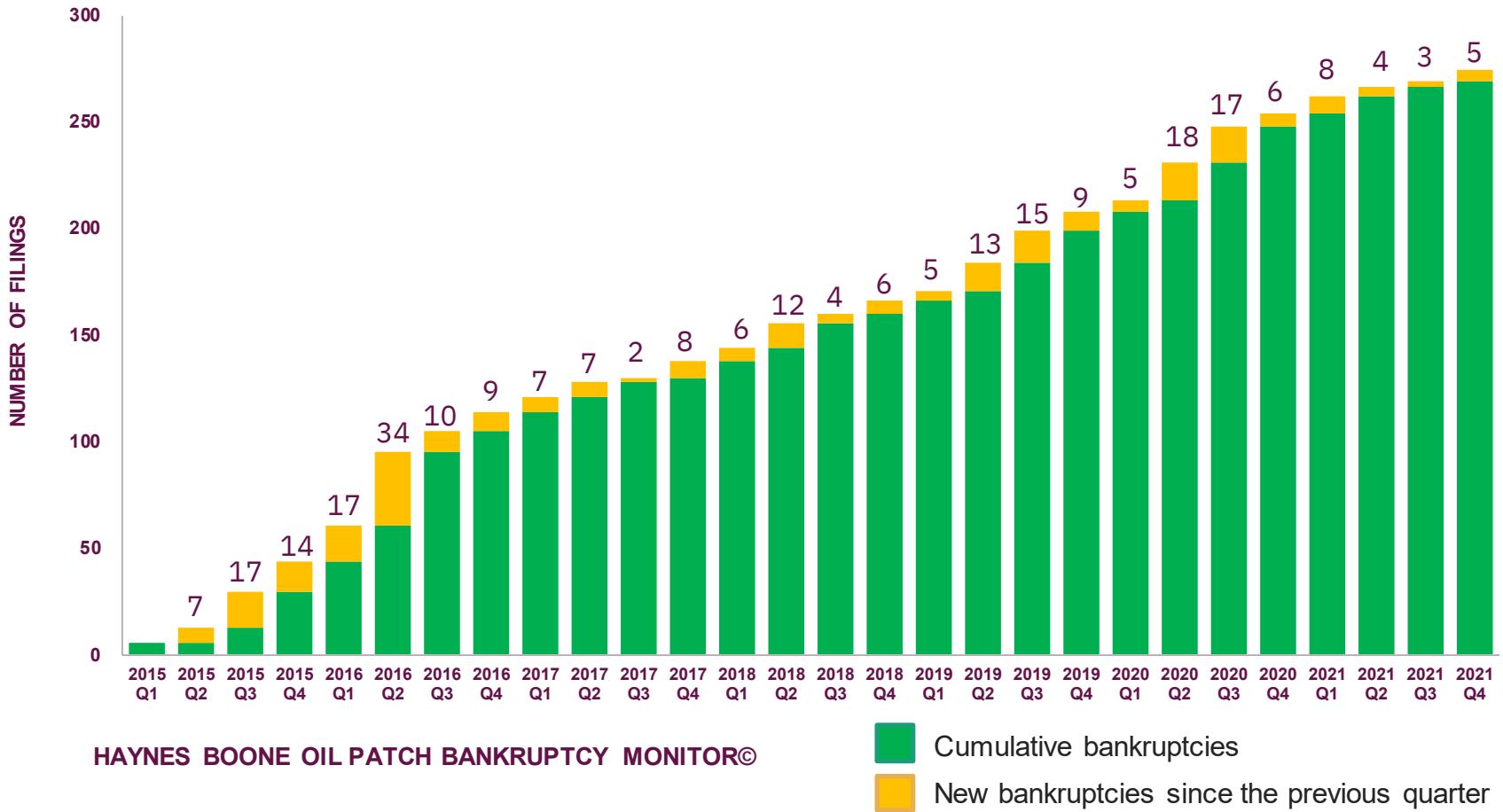
Our cumulative charts that follow show the ebb and flow of bankruptcy filings (more ebb than flow) over the last seven years. Most telling is the chart showing aggregate debt by quarter over 2015-2021. In 2021 there was “only” \$2.1 billion in total debt, the lowest amount since we began tracking such data – evidence that the tide has turned.

While there will continue to be bankruptcies in the oil patch, the tidal wave triggered by the price correction that began in late 2014 is over. Haynes Boone will continue to closely monitor all trends in the industry and publish our semi-annual [Borrowing Base Redeterminations Survey](#) and [Energy Bank Price Deck Survey](#), but, for now, this is our final Oil Patch Bankruptcy Monitor report.

KEY TAKEAWAYS:

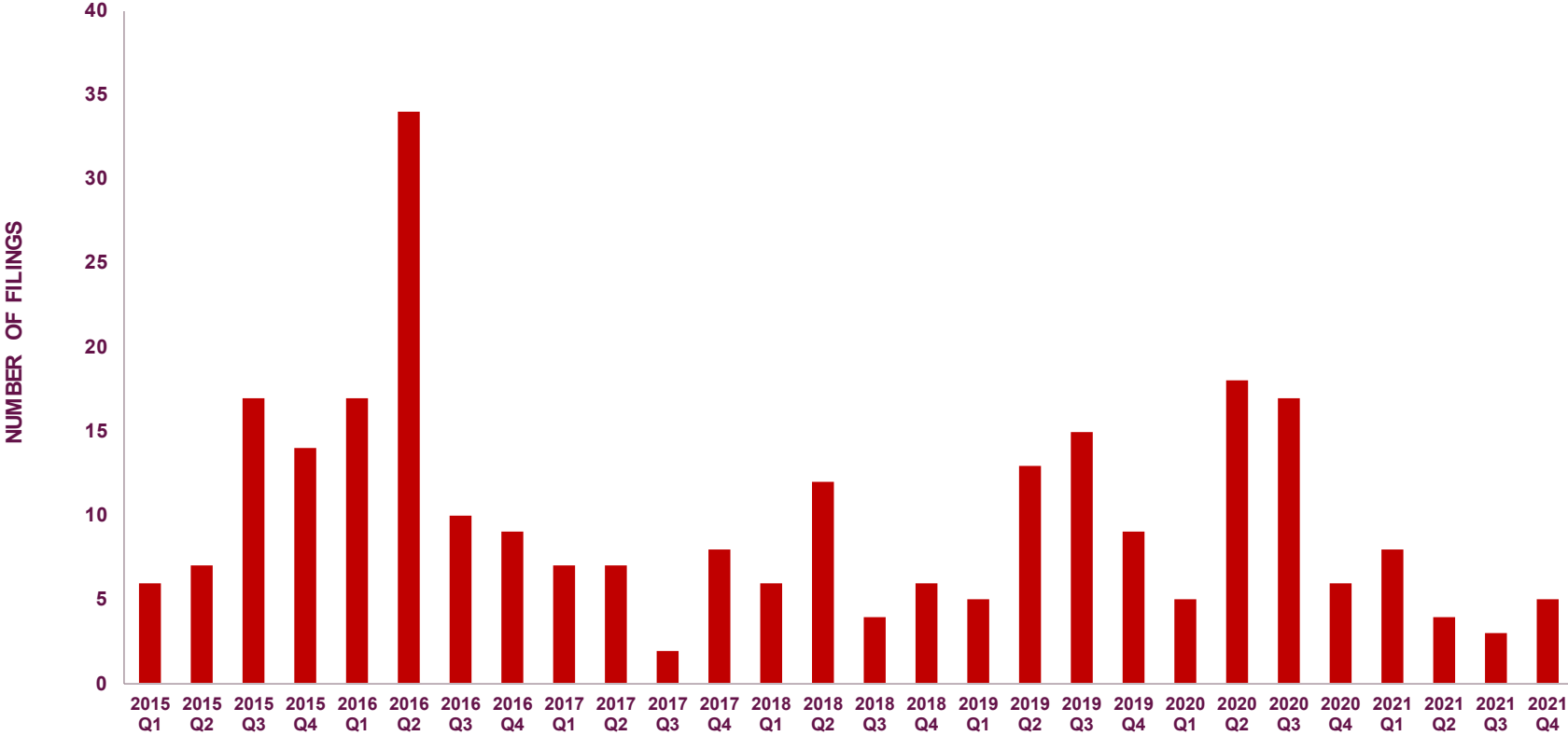
- Twenty oil and gas producers filed in 2021. The average per year is more than 39 cases filed.
- The aggregate debt for producers that filed in 2021 is \$2.1 billion – the lowest yearly total since \$8.5 billion in 2017.
- The peak year for cases filed was in 2016, which included 70 cases.
- Texas accounted for nearly half of the total producer filings in 2021.

2015-2021 CUMULATIVE NORTH AMERICAN E&P BANKRUPTCY FILINGS



(As of December 31, 2021)

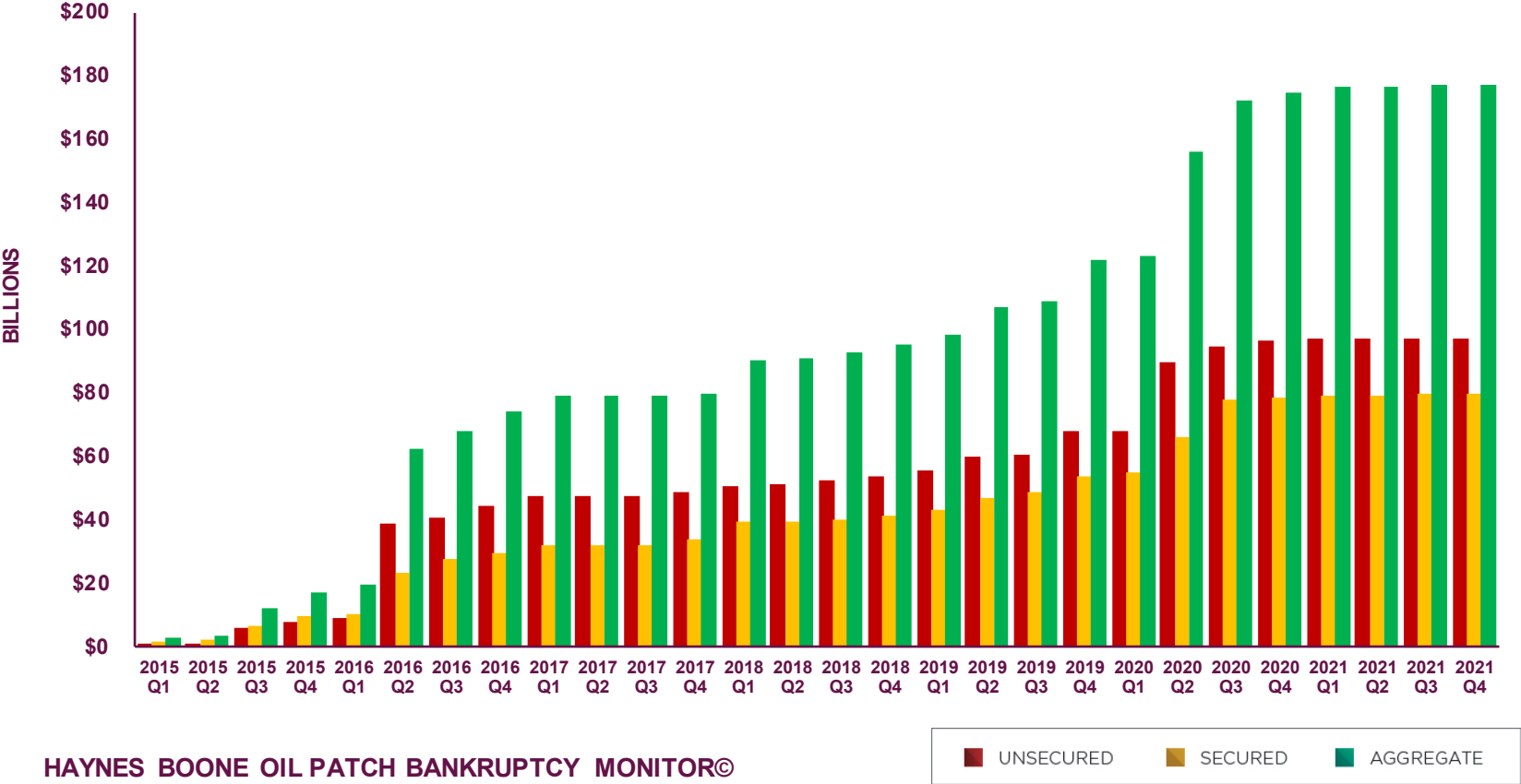
2015-2021 NORTH AMERICAN E&P BANKRUPTCY FILINGS BY QUARTER



HAYNES BOONE OIL PATCH BANKRUPTCY MONITOR©

(As of December 31, 2021)

2015-2021 CUMULATIVE E&P UNSECURED DEBT, SECURED DEBT AND AGGREGATE DEBT

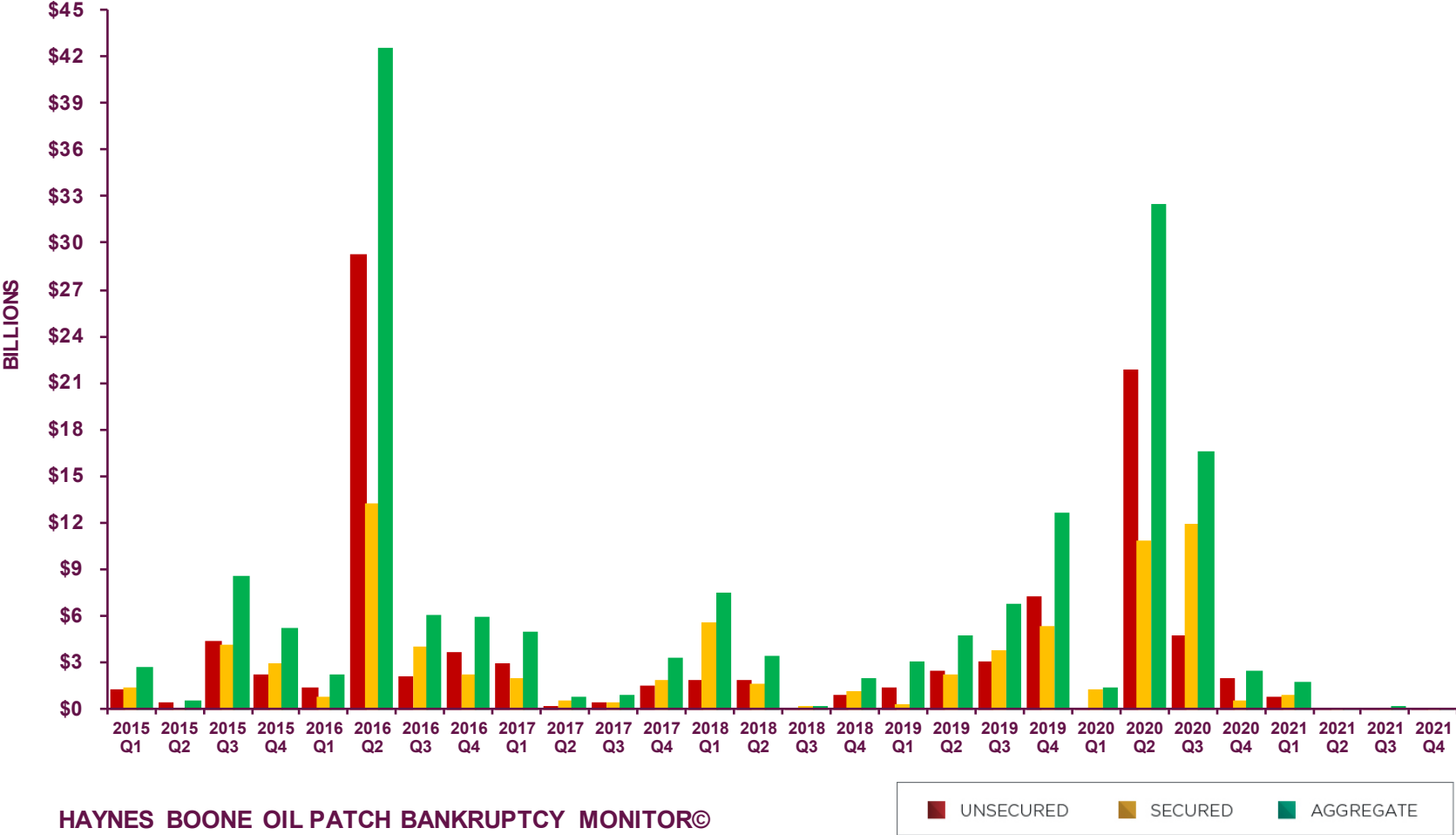


HAYNES BOONE OIL PATCH BANKRUPTCY MONITOR©



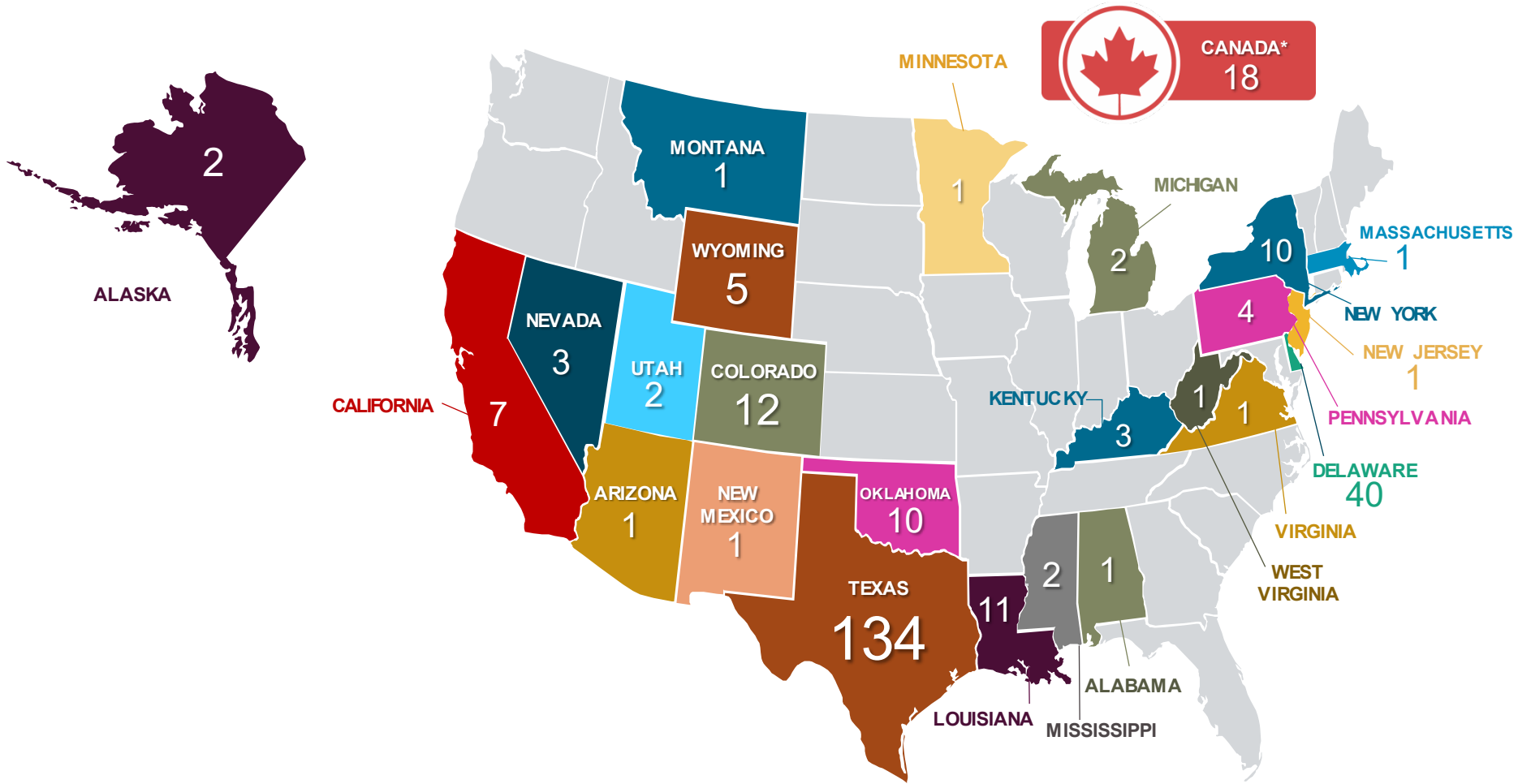
(As of December 31, 2021)

2015-2021 E&P UNSECURED DEBT, SECURED DEBT AND AGGREGATE DEBT BY QUARTER



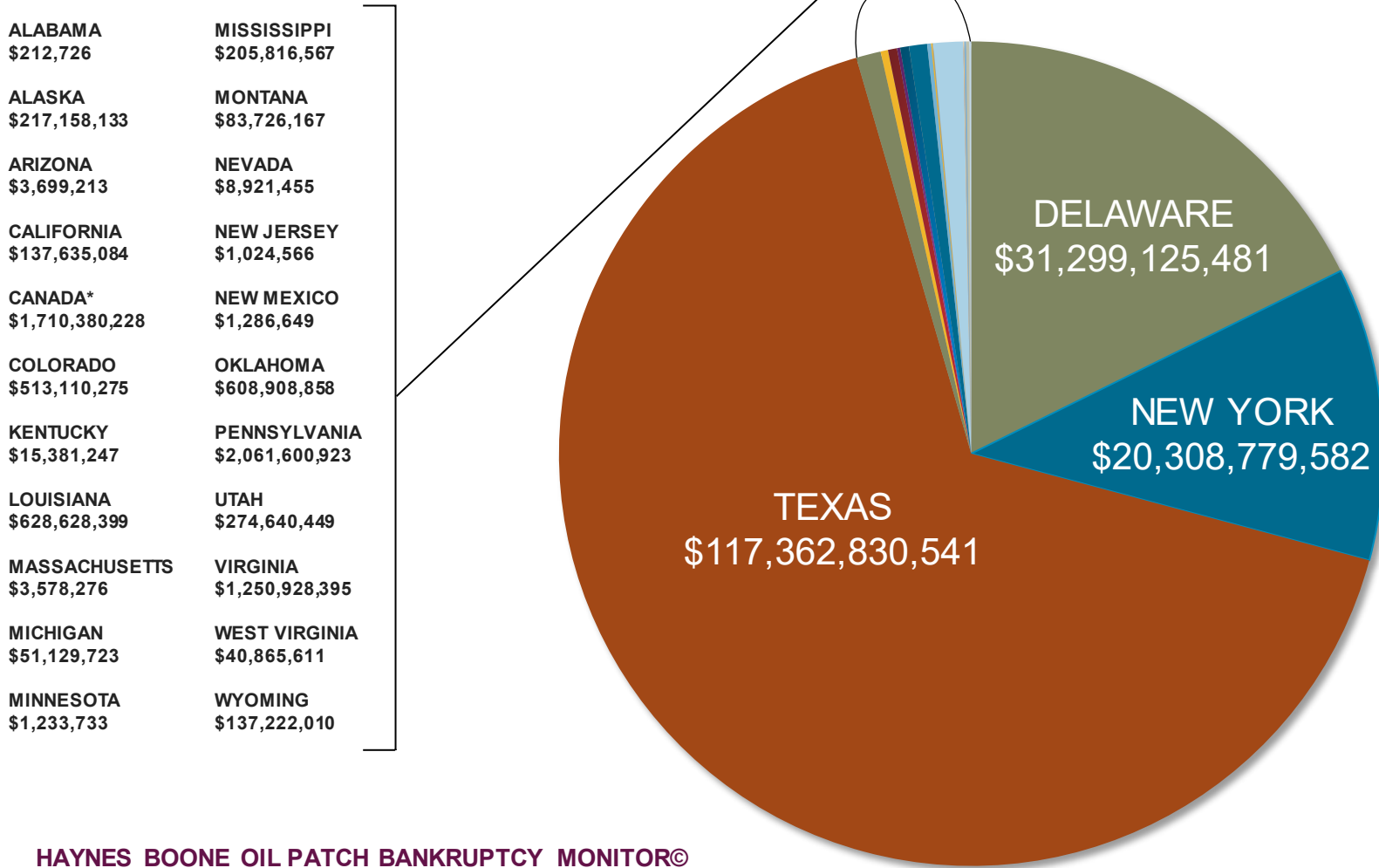
(As of December 31, 2021)

2015-2021 E&P BANKRUPTCY FILINGS BY LOCATION



HAYNES BOONE OIL PATCH BANKRUPTCY MONITOR©

2015-2021 E&P SECURED AND UNSECURED DEBT BY FILING LOCATION



HAYNES BOONE OIL PATCH BANKRUPTCY MONITOR©

LIST OF NORTH AMERICAN OIL AND GAS PRODUCER BANKRUPTCIES

2021 BANKRUPTCIES, January – December

FILING DATE	COURT	CASE NUMBER	DEBTOR	SECURED	UNSECURED	TOTAL
02/26/2021	S.D. Tex.	21-30710	CASTEX ENERGY 2005 HOLDCO, LLC ~	\$ 199,585,956	\$ 6,163,525	\$ 205,749,481
03/05/2021	W.D. Tex.	21-70028	JVA OPERATING COMPANY, INC. ~	\$ 661,856	\$ 2,562,712	\$ 3,224,568
03/09/2021	S.D. Tex.	21-30882	SUNDANCE ENERGY INC. ~*	\$ 399,947,000	\$ 30,210,000	\$ 430,157,000
03/14/2021	D. Del.	21-10565	HIGHPOINT RESOURCES CORPORATION ~*	\$ 140,000,000	\$ 765,000,000	\$ 905,000,000
03/15/2021	D. Del.	21-10570	NINE POINT ENERGY HOLDINGS, INC. ~	\$ 204,546,994	\$ 14,198,311	\$ 218,745,305
03/24/2021	D. Wyo.	21-20101	RAWHIDE RESOURCES, LLC	\$ -	\$ -	\$ -
03/24/2021	D. Wyo.	21-20102	JUSTICE OIL & GAS, LLC	\$ -	\$ -	\$ -
03/26/2021	E.D. Tex.	21-60115	MIKEN OIL, INC	\$ 3,431,026	\$ 1,848,117	\$ 5,279,143
04/05/2021	W.D. Ok.	21-10840	DORCHESTER RESOURCES, L.P.	\$ 22,008,428	\$ 7,807,031	\$ 29,815,459
04/23/2021	S.D. Tex.	21-60036	ANGLO-DUTCH ENERGY, LLC	\$ 209,000	\$ 6,819,045	\$ 7,028,045
04/28/2021	N.D. Tex.	21-41010	THUNDERBIRD OIL & GAS, LLC ~	\$ 168	\$ 590,721	\$ 590,889
04/30/2021	N.D. Tex.	21-41079	LAKEWOOD ENERGY SOLUTIONS, LLC	\$ 750,000	\$ -	\$ 750,000
09/17/2021	S.D. Miss.	21-01515	TENRGYS, LLC ~	\$ 70,000,000	\$ 122,327,458	\$ 192,327,458
09/17/2021	D. Nev.	21-50659	WESTSTAR EXPLORATION COMPANY	\$ -	\$ 1,367,147	\$ 1,367,147
09/21/2021	W.D. Pa.	21-22080	ROCKDALE MARCELLUS, LLC ~	\$ 19,537,509	\$ 10,571,513	\$ 30,109,022
10/05/2021	D. Nev.	21-14823	FORTEM RESOURCES, INC.	\$ -	\$ 6,511,633	\$ 6,511,633
10/15/2021	N.D. Tex.	21-42440	ALAMO BORDEN COUNTY 1, LLC	\$ 10,864,165	\$ 2,413,277	\$ 13,277,442
11/07/2021	W.D. Pa.	21-22406	ABARTA OIL & GAS CO., LLC *	\$ 7,200,000	\$ 14,500,000	\$ 21,700,000
11/24/2021	D. Wyo.	21-20484	CUDA ENERGY INC. ~*	\$ 13,679,877	\$ -	\$ 13,679,877
12/03/2021	S.D. Tex.	21-33859	TABULA RASA PARTNERS, LLC	\$ 20,949,029	\$ 1,596,250	\$ 22,545,279
TOTAL 2015				\$ 9,428,934,657	\$ 7,948,644,822	\$ 17,377,579,479
TOTAL 2016				\$ 20,381,058,466	\$ 36,458,841,062	\$ 56,839,899,528
TOTAL 2017				\$ 4,028,066,757	\$ 4,515,455,884	\$ 8,543,522,641
TOTAL 2018				\$ 8,467,115,402	\$ 4,688,644,031	\$ 13,155,759,433
TOTAL 2019				\$ 11,654,278,568	\$ 14,113,409,087	\$ 25,767,687,655
TOTAL 2020				\$ 24,489,394,300	\$ 28,646,123,507	\$ 53,135,517,807
TOTAL 2021				\$ 1,113,371,008	\$ 994,486,740	\$ 2,107,857,748
TOTAL 2015-2021				\$ 79,562,219,158	\$ 97,365,605,133	\$ 176,927,824,291

PRIMARY CONTACTS RESTRUCTURING



IAN PECK
Partner, Dallas
214.651.5155
ian.peck@haynesboone.com



CHARLES BECKHAM, JR.
Partner, Houston
713.547.2243
charles.beckham@haynesboone.com



ELI COLUMBUS
Partner, Dallas
214.651.5045
eli.columbus@haynesboone.com



MATT FERRIS
Partner, Dallas
214.651.5955
matt.ferris@haynesboone.com



FRASHER MURPHY
Partner, Dallas
214.651.5246
frasher.murphy@haynesboone.com



PATRICK HUGHES
Partner, Denver / Houston
713.547.2550
patrick.hughes@haynesboone.com



KENRIC KATTNER
Partner, Houston
713.547.2518
kenric.kattner@haynesboone.com



ARSALAN MUHAMMAD
Partner, Houston
713.547.2257
arsalan.muhammad@haynesboone.com



DAVID TRAUSCH
Associate, Houston
713.547.2248
david.trausch@haynesboone.com



STEPHEN PEZANOSKY
Partner, Fort Worth
817.347.6601
stephen.pezanosky@haynesboone.com



KELLI NORFLEET
Partner, Houston
713.547.2630
kelli.norfleet@haynesboone.com



MARTHA WYRICK
Associate, Dallas
713.547.2047
martha.wyrick@haynesboone.com



KOURTNEY LYDA
Counsel, Houston
713.547.2590
kourtney.lyda@haynesboone.com



DAVID STAAB
Associate, Fort Worth
817.347.6645
david.staab@haynesboone.com



JAROM YATES
Counsel, Dallas
214.651.5139
jarom.yates@haynesboone.com

Haynes Boone has more than 600 lawyers, including nearly 20 restructuring practitioners and 100 energy lawyers and landmen serving clients across the globe.

PRIMARY CONTACTS ENERGY TRANSACTIONS



BUDDY CLARK
Partner, Houston
713.547.2077
buddy.clark@haynesboone.com



TIM JOHNSTON
Partner, Dallas
214.651.5135
tim.johnston@haynesboone.com



MICHAEL COOPER
Counsel, Dallas
214.651.5465
michael.cooper@haynesboone.com



AUSTIN ELAM
Partner, Houston
713.547.2122
austin.elam@haynesboone.com



KIM MAI
Partner, Houston
713.547.2029
kim.mai@haynesboone.com



REEM ABDELRAZIK
Associate, Houston
713.547.2998
reem.abdelrazik@haynesboone.com



JOHN FOGNANI
Partner, Denver
303.382.6207
john.fognani@haynesboone.com



JAMES MARKUS
Partner, Dallas
214.651.5366
james.markus@haynesboone.com



ELLEN CONLEY
Associate, Houston
713.547.2204
ellen.conley@haynesboone.com



MICHAEL FREEMAN
Partner, Dallas
214.651.5362
michael.freeman@haynesboone.com



JEFF NICHOLS
Partner, Houston
713.547.2052
jeff.nichols@haynesboone.com



VIKKI MARSH
Associate, Houston
713.547.2994
vikki.marsh@haynesboone.com



KRAIG GRAHMANN
Partner, Houston
713.547.2048
kraig.grahmann@haynesboone.com



GIL PORTER
Partner, New York
212.659.4965
gilbert.porter@haynesboone.com



CHRIS REAGEN
Associate, Denver
303.382.6212
chris.reagen@haynesboone.com



SCOTT HELBING
Partner, Dallas
214.651.5532
scott.helbing@haynesboone.com



BRAD RICHARDS
Partner, Houston
713.547.2028
brad.richards@haynesboone.com



ALEXANDER WILLIAMS
Associate, Houston
713.547.2068
alexander.williams@haynesboone.com

Haynes Boone has more than 600 lawyers, including nearly 20 restructuring practitioners and 100 energy lawyers and landmen serving clients across the globe.

HAYNES BOONE ENERGY PRACTICE GROUP

Our Energy Practice Group includes more than 100 lawyers and professional landmen with diverse backgrounds, experiences and skill sets specific to the energy industry. Our clients call us for their most critical matters requiring sophisticated and practical advice. With 50 years of energy experience, we serve clients from offices located in key energy-related and financial hubs, such as Houston, London, Mexico City, New York, Denver, Dallas, and Washington, D.C. Our lawyers regularly represent clients in connection with transactions, regulatory issues, disputes and restructurings. We are organized by teams covering the following areas:



Commodities



Indian Law



Offshore Oil and Gas



Energy Finance



Intellectual Property



Offshore Oil and Gas
Dispute Resolution



Energy Investment
Funds and MLPs



Liquefied Natural
Gas (LNG)



Oil and Gas



Energy Litigation



Mexico Energy



Oil and Gas Litigation



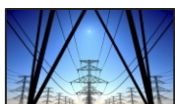
Energy Private
Equity



Midstream



Oilfield Services



Energy Regulatory



Metals and Mining



Power and Renewables

OFFICE LOCATIONS

AUSTIN

600 Congress Avenue
Suite 1300
Austin, TX 78701
United States of America
T +1 512.867.8400
F +1 512.867.8470

CHARLOTTE

620 S. Tryon Street
Suite 375
Charlotte, NC 28202
United States of America
T +1 980.771.8200
F +1 980.771.8201

CHICAGO

180 N. LaSalle Street
Suite 2215
Chicago, IL 60601
United States of America
T +1 312.216.1620
F +1 312.216.1621

DALLAS

2323 Victory Avenue
Suite 700
Dallas, TX 75219
United States of America
T +1 214.651.5000
F +1 214.651.5940

DALLAS - NORTH

6000 Headquarters Dr.
Suite 200
Plano, TX 75024
United States of America
T +1 972.739.6900
F +1 972.680.7551

DENVER

1050 17th Street
Suite 1800
Denver, CO 80265
United States of America
T +1 303.382.6200
F +1 303.382.6210

FORT WORTH

301 Commerce Street
Suite 2600
Fort Worth, TX 76102
United States of America
T +1 817.347.6600
F +1 817.347.6650

HOUSTON

1221 McKinney Street
Suite 4000
Houston, TX 77010
United States of America
T +1 713.547.2000
F +1 713.547.2600

LONDON

1 New Fetter Lane
London, EC4A 1AN
United Kingdom
T +44 (020) 8734 2800
F +44 (020) 8734 2820

MEXICO CITY

Torre Esmeralda I, Blvd.
Manuel Ávila Camacho #40
Despacho 1601
Col. Lomas de Chapultepec,
DF 11000
Mexico City, Mexico
T +52.55.5249.1800
F +52.55.5249.1801

NEW YORK

30 Rockefeller Plaza
26th Floor
New York, NY 10112
United States of America
T +1 212.659.7300
F +1 212.918.8989

ORANGE COUNTY

600 Anton Boulevard
Suite 700
Costa Mesa, CA 92626
United States of America
T +1 949.202.3000
F +1 949.202.3001

PALO ALTO

525 University Avenue
Suite 400
Palo Alto, CA 94301
United States of America
T +1 650.687.8800
F +1 650.687.8801

SAN ANTONIO

112 East Pecan Street
Suite 1200
San Antonio, TX 78205
United States of America
T +1 210.978.7000
F +1 210.978.7450

SAN FRANCISCO

275 Battery Street
Suite 1850
San Francisco, CA 94111
United States of America
T +1 415.293.8900
F +1 415.293.8901

SHANGHAI

Shanghai International
Finance Center, Tower 2
Unit 3620, Level 36
8 Century Avenue, Pudong
Shanghai 200120, P.R.
China
T +86.21.6062.6179
F +86.21.6062.6347

THE WOODLANDS

10001 Woodloch Forest Dr.
Suite 200
The Woodlands, TX 77380
United States of America
T +1 713.547.2100
F +1 713.547.2101

WASHINGTON, D.C.

800 17th Street NW
Suite 500
Washington, D.C. 20006
United States of America
T +1 202.654.4500
F +1 202.654.4501

HAYNES BOONE