

Investment Banking Update

\$270.0 MILLION

October 24, 2019



Has successfully consummated its Chapter 11 Plan of Reorganization

Financial Advisor to AllianceBernstein

Stephens Inc.

Stephens Inc. served as exclusive financial advisor and investment banker to AllianceBernstein, Elk's plan sponsor and largest prepetition lender

Transaction Details

- On May 22, 2019, Elk Petroleum, Inc., and three affiliated debtors (collectively, "Elk" or the "Debtors") filed for Chapter 11 Bankruptcy protection with a Prepackaged Plan of Reorganization (the "Plan")
- The Debtors' prepetition capital structure consisted approximately of the following principal balances (excludes unpaid interest and fees):
 - \$14.5M Revolving Credit Facility
 - \$55.0M Unsecured Term Loan
 - \$15.0M Preferred Stock
 - \$114.0M Secured Term Loan
 - \$54.4M Subsidiary Term Loan Guaranty Obligations
- Under the Plan, Elk eliminated approximately \$216 million in debt from its balance sheet through the equitization of substantially all of the Debtors' prepetition indebtedness other than a \$47.0 million first and \$6.8 million second lien exit facility
- Elk's Plan of Reorganization was confirmed on October 10, 2019 and the company emerged from bankruptcy on October 24, 2019

According to Company Information:

Elk Petroleum operates as an oil and natural gas business that specializes in applying enhanced oil recovery ("EOR") technologies to mature oil fields, focused primarily in the Rocky Mountain region. Elk's business focuses on the secondary and tertiary recovery phases of oil and gas production, which involves rejuvenating and redeveloping mature oil fields by using well-established EOR technologies to extend the commercial life of an otherwise depleted oil reservoir. Elk's principal asset, the Aneth Oil Field, is located in Southeast Utah and its corporate headquarters are in Denver, Colorado

Source: Elk public filings

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