

Laredo Petroleum, Inc.
Form S-4
April 07, 2014

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As filed with the Securities and Exchange Commission on April 7, 2014

Registration No. 333-

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

LAREDO PETROLEUM, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

1311
(Primary Standard Industrial
Classification Code Number)
15 W. Sixth Street, Suite 900
Tulsa, Oklahoma 74119
(918) 513-4570

45-3007926
(I.R.S. Employer
Identification Number)

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Kenneth E. Dornblaser
Senior Vice President & General Counsel
15 W. Sixth Street, Suite 900
Tulsa, Oklahoma 74119
(918) 513-4570

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

Christine B. LaFollette
Akin Gump Strauss Hauer & Feld LLP
1111 Louisiana, 44th Floor
Houston, Texas 77002
(713) 220-5800

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Approximate date of commencement of proposed sale to the public: As soon as practicable on or after the effective date of this Registration Statement.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
 (Do not check if a smaller reporting company)

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issue Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
5 ⁵ / ₈ % Senior Notes due 2022	\$450,000,000	100.00%	\$450,000,000	\$57,960
Guarantee of 5 ⁵ / ₈ % Senior Notes due 2022(2)				None(3)

- (1) Calculated pursuant to Rule 457(f)(2) under the Securities Act of 1933.
- (2) Laredo Midstream Services, LLC will guarantee the notes being registered.
- (3) Pursuant to Rule 457(n) under the Securities Act of 1933, no registration fee for the registration of the guarantee is required.

Each registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF ADDITIONAL REGISTRANT GUARANTORS

Exact Name of Registrant Guarantor(1)	State or Other Jurisdiction of Incorporation or Formation	Primary Standard Industrial Classification Code Number	I.R.S. Employer Identification Number
Laredo Midstream Services, LLC	Delaware	4922	42-2608078

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- (1) The address for the Registrant Guarantor is 15 W. Sixth Street, Suite 900, Tulsa, Oklahoma 74119 and the telephone number for the Registrant Guarantor is (918) 513-4570.
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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 7, 2014

PROSPECTUS

***Offer To Exchange
Up To \$450,000,000 of
5⁵/₈% Senior Notes Due 2022
That Have Not Been Registered Under
The Securities Act of 1933
For
Up To \$450,000,000 of
5⁵/₈% Senior Notes Due 2022
That Have Been Registered
Under The Securities Act of 1933***

Terms of the New 5⁵/₈% Senior Notes due 2022 Offered in the Exchange Offer:

The terms of the new notes are identical to the terms of the old notes that were issued on January 23, 2014, except that the new notes will be registered under the Securities Act of 1933 and will not contain restrictions on transfer, registration rights or provisions for additional interest.

Terms of the Exchange Offer:

We are offering to exchange up to \$450,000,000 of old notes for new notes with materially identical terms that have been registered under the Securities Act of 1933 and are freely tradable.

We will exchange all old notes that you validly tender and do not validly withdraw before the exchange offer expires for an equal principal amount of new notes.

The exchange offer expires at 5:00 p.m., New York City time, on _____, 2014, unless extended.

Tenders of old notes may be withdrawn at any time prior to the expiration of the exchange offer.

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The exchange of new notes for old notes will not be a taxable event for U.S. federal income tax purposes.

Broker-dealers who receive new notes pursuant to the exchange offer acknowledge that they will deliver a prospectus in connection with any resale of such new notes.

Broker-dealers who acquired the old notes as a result of market-making or other trading activities may use the prospectus for the exchange offer, as supplemented or amended, in connection with resales of the new notes.

You should carefully consider the risk factors beginning on page 11 of this prospectus and the other risk factors discussed in Laredo Petroleum, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated herein by reference, before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2014.

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This prospectus is part of a registration statement we filed with the Securities and Exchange Commission ("SEC"). In making your investment decision, you should rely only on the information contained in, or incorporated by reference into, this prospectus and in the accompanying letter of transmittal. We have not authorized anyone to provide you with any other information. We are not making an offer to sell these securities or soliciting an offer to buy these securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone whom it is unlawful to make an offer or solicitation. You should not assume that the information contained in, or incorporated by reference into, this prospectus is accurate as of any date other than the date on the front cover of this prospectus or the date of such incorporated documents, as the case may be.

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In this prospectus, we refer to the notes to be issued in the exchange offer as the "new notes," and we refer to the \$450 million aggregate principal amount of our 5⁵/₈% senior notes due 2022 issued on January 23, 2014 as the "old notes." We refer to the new notes and the old notes collectively as the "notes." References to the "issuer" refer to Laredo Petroleum, Inc., a Delaware corporation. References to "subsidiary" or "guarantor" refer to Laredo Midstream Services, LLC, a Delaware limited liability company. References to "Laredo," "we," "us" or "our" refer to Laredo Petroleum Holdings, Inc., a Delaware corporation, together with its subsidiaries, including the issuer, for periods prior to our internal corporate reorganization on December 31, 2013, and to Laredo Petroleum, Inc. together with the subsidiary for periods after our internal corporate reorganization, unless otherwise indicated or the context otherwise requires. See "Summary Corporate History and Structure" for more information. "Laredo Inc." refers solely to Laredo Petroleum, Inc. after our internal corporate reorganization and not any subsidiary.

This prospectus incorporates important business and financial information about us that is not included or delivered with this prospectus. Such information is available without charge to holders of old notes upon written or oral request made to Laredo Petroleum, Inc., 15 W. Sixth Street, Suite 900, Tulsa, Oklahoma 74119, Attention: Investor Relations (Telephone (918) 513-4570). **To obtain timely delivery of any requested information, holders of old notes must make any request no later than _____, 2014, a date that is five business days prior to the expiration of the exchange offer.**

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The information in this prospectus includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements, other than statements of historical fact included in this prospectus, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this prospectus, the words "could," "believe," "anticipate," "intend," "estimate," "expect," "project," "may," "will," "should," "plan," "predict," "potential," "foresee," "goal," "pursue," "target," "continue," "suggest" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. Among the factors that significantly impact our business and could impact our business in the future are:

the ongoing instability and uncertainty in the U.S. and international financial and consumer markets that is adversely affecting the liquidity available to us and our customers and is adversely affecting the demand for commodities, including oil and natural gas;

the volatility of oil and natural gas prices;

the possible introduction of regulations that prohibit or restrict our ability to apply hydraulic fracturing to our oil and natural gas wells;

the possible introduction of regulations that prohibit or restrict our ability to drill new allocation wells;

discovery, estimation, development and replacement of oil and natural gas reserves, including our expectations that estimates of our proved reserves will increase;

uncertainties about the estimates of our oil and natural gas reserves;

competition in the oil and natural gas industry;

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the availability and costs of drilling and production equipment, labor, and oil and natural gas processing and other services;

drilling and operating risks, including risks related to hydraulic fracturing activities;

risks related to the geographic concentration of our assets;

changes in domestic and global demand for oil and natural gas, as well as the continuation of restrictions on the export of domestic crude oil;

the availability of sufficient pipeline and transportation facilities and gathering and processing capacity;

changes in the regulatory environment and changes in international, legal, political, administrative or economic conditions;

our ability to comply with federal, state and local regulatory requirements;

our ability to execute our strategies, including, but not limited to, our hedging strategies;

our ability to recruit and retain the qualified personnel necessary to operate our business;

evolving industry standards and adverse changes in global economic, political and other conditions;

restrictions contained in our debt agreements, including our senior secured credit facility and the indentures governing our senior unsecured notes, as well as debt that could be incurred in the future;

our ability to access additional borrowing capacity under our senior secured credit facility or other means of providing liquidity; and

our ability to generate sufficient cash to service our indebtedness and to generate future profits.

These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Forward-looking statements should, therefore, be considered in light of various factors, including those set forth in this prospectus under "Risk Factors" and elsewhere in this prospectus, as well as the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2013 (the "2013 Annual Report") and the other documents incorporated by reference herein. In light of such risks and uncertainties, we caution you not to rely on these forward-looking statements in deciding whether to invest in the notes.

Reserve engineering is a process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by reservoir engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ significantly from the quantities of oil and natural gas that are ultimately recovered.

These forward-looking statements speak only as of the date of this prospectus, and we do not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events, except as required by applicable securities laws.

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PROSPECTUS SUMMARY

This summary highlights some of the information contained in this prospectus and does not contain all of the information that may be important to you. You should read this entire prospectus, the documents incorporated by reference and the documents to which we refer you before making an investment decision. You should carefully consider the information set forth under "Risk Factors" beginning on page 11 of this prospectus and discussed in the 2013 Annual Report, and the other cautionary statements described in this prospectus. In addition, certain statements include forward looking information that involves risks and uncertainties. See "Cautionary Statement Regarding Forward-Looking Statements."

Company Overview

We are an independent energy company focused on the exploration, development and acquisition of oil and natural gas properties primarily in the Permian region of the United States. The oil and liquids-rich Permian Basin in West Texas is characterized by multiple target horizons, extensive production histories, long-lived reserves, high drilling success rates and high initial production rates. Since our inception, we have rapidly grown our reserves, production and cash flow through both our drilling program and strategic acquisitions, including our July 2011 acquisition of Broad Oak Energy, Inc. ("Broad Oak"), a Delaware corporation. As of December 31, 2013, we had assembled 202,084 net acres in the Permian Basin and had total proved reserves, presented on a two-stream basis, of 203,615 MBOE. Our drilling activity has been and is expected to continue to be focused on oil opportunities in the Permian Basin.

We maintain a financial profile that provides operational flexibility. At March 31, 2014, we had \$812.5 million available for borrowings under our senior secured credit facility and total debt of \$1.5 billion, of which no amount was outstanding under our senior secured credit facility. Our total debt, less available cash on the balance sheet, was 1.8 times our Adjusted EBITDA (a non-GAAP financial measure) for the year ended December 31, 2013. We believe that our operating cash flow and the aforementioned liquidity sources provide us with the capability to implement our planned exploration and development activities as well as the ability to accelerate our capital program, if deemed appropriate.

Corporate History and Structure

Laredo Petroleum Holdings, Inc. ("Holdings") was incorporated in August 2011 pursuant to the laws of the State of Delaware for purposes of a corporate reorganization and initial public offering ("IPO"). The corporate reorganization, pursuant to which Laredo Petroleum, LLC was merged with and into Holdings, with Holdings surviving the merger, was completed on December 19, 2011 (the "Corporate Reorganization"). Laredo Petroleum, LLC was formed in 2007 pursuant to the laws of the State of Delaware by affiliates of Warburg Pincus LLC ("Warburg Pincus"), our institutional investor, and the management of Laredo Petroleum, Inc., which was founded in 2006 by Randy A. Foutch, our Chairman and Chief Executive Officer, to acquire, develop and operate oil and natural gas properties in the Permian and Mid-Continent regions of the United States. In the Corporate Reorganization, all of the outstanding preferred equity interests and certain of the incentive equity interests in Laredo Petroleum, LLC were exchanged for shares of common stock of Holdings. Holdings completed an IPO of its common stock on December 20, 2011. As of March 31, 2014, Warburg Pincus owned 43.8% of our common stock.

On July 1, 2011, we completed the acquisition of Broad Oak, which became a wholly-owned subsidiary of Laredo Petroleum, Inc. Broad Oak was formed in 2006 with financial support from its management and Warburg Pincus. On July 19, 2011, we changed the name of Broad Oak to Laredo Petroleum Dallas, Inc.

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Effective December 31, 2013, we completed an internal corporate reorganization, which simplified our corporate structure. Our two former subsidiaries Laredo Petroleum Texas, LLC and Laredo Petroleum Dallas, Inc. were merged with and into Laredo Petroleum, Inc. The sole remaining wholly-owned subsidiary of Laredo Petroleum, Inc., formerly known as Laredo Gas Services, LLC, changed its name to Laredo Midstream Services, LLC. Laredo Petroleum, Inc., a wholly-owned subsidiary of Holdings, merged with and into Holdings with Holdings surviving and changing its name to "Laredo Petroleum, Inc."

Laredo Inc. is the borrower under our senior secured credit facility, as well as the issuer of the notes, our \$550 million 9¹/₂% senior unsecured notes due 2019 (the "2019 senior notes") issued in January and October 2011, and our \$500 million 7³/₈% senior unsecured notes due 2022 issued in April 2012 (the "April 2022 senior notes" and together with the 2019 senior notes, the "existing registered notes"). Our subsidiary, Laredo Midstream Services, LLC, is a guarantor of the obligations under our senior secured credit facility, the notes and the existing registered notes.

The following diagram indicates our ownership structure as of, March 31, 2014.

Our Offices

Our executive offices are located at 15 W. Sixth Street, Suite 900, Tulsa, Oklahoma 74119, and the phone number at this address is (918) 513-4570. For additional information regarding our business properties and financial condition, please refer to the documents referenced in the section entitled "Where You Can Find More Information."

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The Exchange Offer

On January 23, 2014, we completed a private offering of \$450 million aggregate principal amount of the old notes. We entered into a registration rights agreement with the initial purchasers in connection with this offering in which we agreed to deliver to you this prospectus and to use commercially reasonable efforts to complete the exchange offer within 365 days after the date of the initial issuance of the old notes issued on January 23, 2014.

Old Notes	On January 23, 2014, we issued \$450 million aggregate principal amount of 5 ⁵ / ₈ % senior notes due 2022.
Exchange Offer	We are offering to exchange up to \$450 million aggregate principal amount of the new notes for an equal amount of the old notes.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on _____, 2014, unless we decide to extend it.
Conditions to the Exchange Offer	The registration rights agreement does not require us to accept old notes for exchange if the exchange offer, or the making of any exchange by a holder of the old notes, would violate any applicable law or interpretation of the staff of the SEC. The exchange offer is not conditioned on a minimum aggregate principal amount of old notes being tendered.
Procedures for Tendering Old Notes	To participate in the exchange offer, you must follow the procedures established by The Depository Trust Company, which we call "DTC," for tendering notes held in book-entry form. These procedures, which we call "ATOP," require that (i) the exchange agent receive, prior to the expiration date of the exchange offer, a computer generated message known as an "agent's message" that is transmitted through DTC's automated tender offer program, and (ii) DTC confirms that:

DTC has received your instructions to exchange your notes, and

You agree to be bound by the terms of the letter of transmittal. For more information on tendering your old notes, please refer to the sections in this prospectus entitled "Exchange Offer Terms of the Exchange Offer," "Exchange Offer Procedures for Tendering" and "Description of the Notes Book-Entry, Delivery and Form."

Guaranteed Delivery Procedures
Withdrawal of Tenders

None.
You may withdraw your tender of old notes at any time prior to the expiration date. To withdraw, you must submit a notice of withdrawal to the exchange agent using ATOP procedures before 5:00 p.m., New York City time, on the expiration date of the exchange offer. Please refer to the section in this prospectus entitled "Exchange Offer Withdrawal of Tenders."

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Acceptance of Old Notes and Delivery of New Notes	If you fulfill all conditions required for proper acceptance of old notes, we will accept any and all old notes that you properly tender in the exchange offer before 5:00 p.m., New York City time, on the expiration date. We will return any old notes that we do not accept for exchange to you without expense promptly after the expiration date and acceptance of the old notes for exchange. Please refer to the section in this prospectus entitled "Exchange Offer Terms of the Exchange Offer."
Fees and Expenses	We will bear expenses related to the exchange offer. Please refer to the section in this prospectus entitled "Exchange Offer Fees and Expenses."
Use of Proceeds	The issuance of the new notes will not provide us with any new proceeds. We are making this exchange offer solely to satisfy our obligations under our registration rights agreement.
Consequences of Failure to Exchange Old Notes	If you do not exchange your old notes in this exchange offer, you will no longer be able to require us to register the old notes under the Securities Act except in limited circumstances provided under the registration rights agreement. In addition, you will not be able to resell, offer to resell or otherwise transfer the old notes unless we have registered the old notes under the Securities Act, or unless you resell, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act.
U.S. Federal Income Tax Consequences	The exchange of new notes for old notes in the exchange offer will not be a taxable event for U.S. federal income tax purposes. Please read "Material United States Federal Income Tax Consequences."

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Exchange Agent

We have appointed Wells Fargo Bank, N.A. as exchange agent for the exchange offer. You should direct questions and requests for assistance, requests for additional copies of this prospectus or the letter of transmittal to the exchange agent as follows:

By registered & certified mail:

WELLS FARGO BANK, N.A.

Corporate Trust Operations

MAC : N9303-121

P.O. Box 1517

Minneapolis, MN 55480

By regular mail or overnight courier:

WELLS FARGO BANK, N.A.

Corporate Trust Operations

MAC : N9303-121

6th St & Marquette Avenue

Minneapolis, MN 55479

In person by hand only:

WELLS FARGO BANK, N.A.

Corporate Trust Services

Northstar East Building 1st Floor

608 Second Avenue South

Minneapolis, MN 55402

Eligible institutions may make requests by facsimile at

(612) 667-6282 and may confirm facsimile delivery by calling (800) 344-5128.

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Terms of the New Notes

The new notes will be identical to the old notes except that the new notes are registered under the Securities Act and will not have restrictions on transfer, registration rights or provisions for additional interest. The new notes will evidence the same debt as the old notes, and the same indenture will govern the new notes and the old notes.

The following summary contains basic information about the new notes and is not intended to be complete. It does not contain all information that may be important to you. For a more complete understanding of the new notes, please refer to the section entitled "Description of the Notes" in this prospectus.

Issuer	Laredo Petroleum, Inc.
New Notes Offered	\$450 million aggregate principal amount of 5 ⁵ / ₈ % senior notes due 2022, registered under the Securities Act. The old notes and the new notes will be treated as a single class of securities under the indenture, including, without limitation, for purposes of waivers, amendments, redemptions and offers to purchase.
Maturity Date	January 15, 2022.
Interest	The new notes will bear interest at a rate of 5 ⁵ / ₈ % per annum, payable semi-annually, in cash in arrears, on January 15 and July 15 of each year, commencing on the first such date next following the date on which the exchange offer is consummated.
Guarantees	<p>The issuer's sole existing subsidiary and certain of the issuer's future domestic restricted subsidiaries will fully and unconditionally guarantee, jointly and severally, the new notes so long as each such entity guarantees or becomes an obligor of the issuer's senior secured credit facility or other debt of the issuer or any restricted subsidiary of the issuer, in each case, in excess of \$5 million. Not all of the issuer's future subsidiaries will be required to become guarantors. If the issuer cannot make payments on the new notes when they are due, the guarantors must make them instead. Please read "Description of the Notes Guarantees."</p> <p>Each guarantee will rank:</p> <p>senior in right of payment to any future subordinated indebtedness of the guarantor;</p> <p>equally in right of payment with all existing and future senior unsecured indebtedness of the guarantor, including the guarantee of the existing registered notes; and</p> <p>effectively junior in right of payment to all existing and future secured indebtedness of the guarantor, including its guarantee of indebtedness under our senior secured credit facility, to the extent of the value of the assets securing such indebtedness.</p>

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Ranking

As of December 31, 2013, on a pro forma basis after giving effect to the offering of \$450 million of old notes on January 23, 2014 and the application of the net proceeds therefrom, the guarantee of the notes would not have been effectively subordinated to any secured indebtedness and the guarantor would have guaranteed approximately \$1.5 billion of senior unsecured indebtedness (including the old notes). The issuer would have had approximately \$812.5 million of borrowing capacity available under its senior secured credit facility, subject to compliance with financial covenants, the guarantee of which would be effectively senior to the guarantee of the notes (to the extent of the value of the assets securing such indebtedness).

The new notes will be the issuer's unsecured senior obligations. Accordingly, they will rank:

senior in right of payment to any future subordinated indebtedness of the issuer;

equally in right of payment with all existing and future senior indebtedness, including the existing registered notes;

effectively junior in right of payment to all of the issuer's existing and future secured indebtedness, including indebtedness under the issuer's senior secured credit facility, to the extent of the value of the assets of the issuer securing such indebtedness; and

effectively junior to all indebtedness and other liabilities of any future non-guarantor subsidiaries to the extent of the assets of those subsidiaries.

As of December 31, 2013, on a pro forma basis after giving effect to the offering of \$450 million of old notes on January 23, 2014 and the application of the net proceeds therefrom, the issuer would have had approximately \$1.5 billion of total indebtedness (including the old notes) of which none would be secured indebtedness to which the notes would be effectively subordinated. The issuer would have had approximately \$812.5 million of borrowing capacity available under its senior secured credit facility, subject to compliance with financial covenants, all of which would be effectively senior to the notes (to the extent of the value of the assets securing such indebtedness).

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Optional Redemption

The issuer will have the option to redeem the new notes, in whole or in part, at any time on or after January 15, 2017, at the redemption prices described in this prospectus under the heading "Description of the Notes - Optional Redemption," together with any accrued and unpaid interest to, but not including, the date of redemption. In addition, before January 15, 2017, the issuer may (i) redeem all or any part of the notes at the make-whole price set forth under "Description of the Notes - Optional Redemption" or (ii) at any time or from time to time, redeem up to 35% of the aggregate principal amount of the notes with the net proceeds of a public or private equity offering at a redemption price of 105.625% of the principal amount of the notes, plus any accrued and unpaid interest to the date of redemption, if at least 65% of the aggregate principal amount of the notes issued under the indenture governing the notes remains outstanding immediately after such redemption and the redemption occurs within 180 days of the closing date of such equity offering. If a change of control occurs prior to January 15, 2015, the issuer may redeem all, but not less than all, of the notes at a redemption price equal to 110% of the principal amount of the notes plus any accrued and unpaid interest to, but not including, the date of redemption.

Change of Control

If a change of control event occurs, each holder of new notes may require the issuer to repurchase all or a portion of its new notes for cash at a price equal to 101% of the aggregate principal amount of such new notes, plus any accrued and unpaid interest to, but not including, the date of repurchase.

Certain Other Covenants

The indenture contains covenants that limit, among other things, the ability of the issuer and some of its subsidiaries to:

pay distributions or dividends on, or purchase, redeem or otherwise acquire, equity interests;

make certain investments;

incur additional indebtedness or liens;

sell certain assets or merge with or into other companies;

engage in transactions with affiliates; and

enter into sale and leaseback transactions.

These covenants are subject to a number of important qualifications and limitations. In addition, substantially all of the covenants will be suspended before the new notes mature if both of two specified ratings agencies assign the new notes an investment grade rating in the future and no event of default exists under the indenture governing the new notes. See "Description of the Notes - Certain Covenants."

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Transfer Restrictions, Absence of a Public Market for the New Notes	The new notes generally will be freely transferable, but will also be new securities for which there will not initially be a market. There can be no assurance as to the development of liquidity of any market for the new notes. We do not intend to apply for a listing of the new notes on any securities exchange or any automated dealer quotation system.
Risk Factors	Investing in the new notes involves risks. See "Risk Factors" beginning on page 11 of this prospectus and in the 2013 Annual Report for a discussion of certain factors you should consider in evaluating whether or not to tender your old notes.
Form of Exchange Notes	The new notes will be represented initially by one or more global notes. The global new notes will be deposited with the trustee, as custodian for DTC.
Trustee, Registrar and Exchange Agent	Wells Fargo Bank, National Association.
Governing Law	The new notes and the indenture governing the new notes will be governed by and construed in accordance with the laws of the State of New York.
Same-Day Settlement	The global new notes will be shown on, and transfers of the global new notes will be effected only through, records maintained in book entry form by DTC and its direct and indirect participants. The new notes are expected to trade in DTC's Same Day Funds Settlement System until maturity or redemption. Therefore, secondary market trading activity in the new notes will be settled in immediately available funds.

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The following table sets forth our ratio of earnings to fixed charges for the periods presented:

	For the years ended December 31,				
	2013	2012	2011	2010	2009
Ratio of earnings to fixed charges (1)	2.9x	2.1x	4.3x	4.4x	(2)

- (1) For purposes of computing the ratio of earnings to fixed charges, "earnings" consists of pretax income (loss) from continuing operations, excluding income from our equity method investee, plus fixed charges less interest capitalized. "Fixed charges" represents interest incurred, amortization of deferred debt offering costs and that portion of rental expense on operating leases deemed to be the equivalent of interest.
- (2) Due to our net operating loss for the year ended December 31, 2009, the ratio of coverage was less than 1:1. To achieve the ratio coverage of 1:1, we would have needed additional earnings of approximately \$256.2 million.

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RISK FACTORS

Investing in the notes involves risks. You should carefully consider the information in this prospectus, including the matters addressed under "Cautionary Statement Regarding Forward-Looking Statements" and the risks below, as well as those discussed in the 2013 Annual Report, together with all of the other information included in, or incorporated by reference into, this prospectus, before participating in the exchange offer.

Risks Related to the Notes

We may not be able to generate sufficient cash to service all of our indebtedness, including the notes, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or to refinance our debt obligations, including the notes, depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the notes. As a result of concern about the stability of financial markets generally and the solvency of counterparties specifically, the cost of obtaining money from the credit markets has increased for certain companies as many lenders and institutional investors have increased interest rates, enacted tighter lending standards and reduced and, in some cases, ceased to provide funding to borrowers.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including the notes. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and the bank markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of our existing or future debt instruments and the indenture governing the notes may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness. In the absence of sufficient cash flows and capital resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. Our senior secured credit facility, the indentures governing the existing registered notes and the indenture governing the notes currently restrict our ability to dispose of assets and use the proceeds from such disposition. We may not be able to consummate those dispositions, and the proceeds of any such disposition may not be adequate to meet any debt service obligations then due. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations.

The borrowing base under our senior secured credit facility is \$812.5 million with an aggregate of \$812.5 million available for borrowings, subject to covenant compliance. Our next scheduled borrowing base redetermination is expected to occur in May 2014. In the future, we may not be able to access adequate funding under our senior secured credit facility as a result of a decrease in our borrowing base due to the issuance of new indebtedness, the outcome of a subsequent semi-annual borrowing base redetermination or an unwillingness or inability on the part of our lending counterparties to meet their funding obligations and the inability of other lenders to provide additional funding to cover the defaulting lender's portion. Declines in commodity prices could result in a determination to lower the borrowing base in the future and, in such a case, we could be required to repay any indebtedness in excess of the redetermined borrowing base. As a result, we may be unable to implement our drilling and development plan, make acquisitions or otherwise carry out our business plan, which would have a

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material adverse effect on our financial condition and results of operations and impair our ability to service the notes.

Despite our indebtedness level, we still may be able to incur significant additional amounts of debt.

As of December 31, 2013, on a pro forma basis after giving effect to the offering of old notes and the application of the net proceeds therefrom, we would have had approximately \$1.5 billion of indebtedness outstanding, including the old notes, as well as approximately \$812.5 million of borrowing capacity available under our senior secured credit facility subject to compliance with financial covenants. We may be able to incur substantial additional indebtedness, including secured indebtedness, in the future. The restrictions on the incurrence of additional indebtedness contained in the indenture governing the notes, the indentures governing the existing registered notes and our senior secured credit facility are subject to a number of significant qualifications and exceptions, and under certain circumstances, the amount of indebtedness, including secured indebtedness, that could be incurred in compliance with these restrictions could be substantial.

If new debt is added to our existing debt levels, the related risks that we face would increase and may make it more difficult to satisfy our existing financial obligations, including those relating to the notes. In addition, the indenture governing the notes does not prevent us from incurring obligations that do not constitute indebtedness under the indenture. See "Description of Other Indebtedness Senior Secured Credit Facility" and "Description of the Notes."

If we incur any additional indebtedness or other obligations, including trade payables, that rank equally with the notes, the holders of those obligations will be entitled to share ratably with you in any proceeds distributed in connection with any insolvency, liquidation, reorganization, dissolution or other winding up of our company. This may have the effect of reducing the amount of proceeds paid to you.

Our debt agreements contain restrictions that will limit our flexibility in operating our business.

The indenture governing the notes, the indentures governing the existing registered notes and our senior secured credit facility each contain, and any future indebtedness we incur may contain, various covenants that limit our ability to engage in specified types of transactions. These covenants limit our ability to, among other things:

incur additional indebtedness;

pay dividends on, repurchase or make distributions in respect of our capital stock or make other restricted payments;

make certain investments;

sell certain assets;

create liens;

consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and

enter into certain transactions with our affiliates.

As a result of these covenants, we are limited in the manner in which we may conduct our business and we may be unable to engage in favorable business activities or finance future operations or our capital needs. In addition, the covenants in our senior secured credit facility require us to maintain a minimum working capital ratio and minimum interest coverage ratio and also limit our capital expenditures. A breach of any of these covenants could result in a default under one or more of these agreements, including as a result of cross default provisions and, in the case of our senior secured credit facility, permit the lenders to cease making loans to us. Upon the occurrence of an event of default under our senior secured credit facility, the lenders could elect to declare all amounts

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outstanding under our senior secured credit facility to be immediately due and payable and terminate all commitments to extend further credit. Such actions by those lenders could cause cross defaults under our other indebtedness, including the notes. If we were unable to repay those amounts, the lenders under our senior secured credit facility could proceed against the collateral granted to them to secure that indebtedness. We pledged a significant portion of our assets as collateral under our senior secured credit facility. If the lenders under our senior secured credit facility accelerate the repayment of the borrowings thereunder, the proceeds from the sale of or foreclosure upon such assets will first be used to repay debt under our senior secured credit facility, and we may not have sufficient assets to repay our unsecured indebtedness thereafter, including the notes.

If we are unable to comply with the restrictions and covenants in the agreements governing the notes and other indebtedness, there could be a default under the terms of these agreements, which could result in an acceleration of payment of funds that we have borrowed and could impair our ability to make principal and interest payments on the notes.

If we are unable to comply with the restrictions and covenants