

## Top SEC Disclosure Triggers for E&P Companies' 2015 Annual Reports: Forewarned is Forearmed

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January 14, 2016

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**PRACTICES** Capital Markets and Securities, Corporate, Energy, Power and Natural Resources, Oil and Gas

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Exploration and production (“**E&P**”) companies are confronting the harshest industry environment in decades. E&P companies experienced a drastic deterioration in prices for their oil and natural gas production during the second half of 2014, which remained at depressed levels throughout 2015. The velocity and steepness of the decline has resulted in deteriorating operating cash flows, results of operations and financial condition for many E&P companies.

In light of this turmoil, the Securities and Exchange Commission (“**SEC**”) has stepped up its oversight of publicly-held E&P companies. The staff of the Division of Corporation Finance of the SEC, the group responsible for reviewing reporting companies’ filings, has within the last 12 months issued a number of comment letters to E&P companies relating to disclosures about the effects of these weakened market conditions. The comment letters, which are publicly available on the SEC’s EDGAR system, suggest that reporting E&P companies should be taking into account these recent staff views when preparing their 2015 year-end annual reports.

***To read the full alert, click on the PDF linked below.***

[Top-SEC-Disclosure-Triggers-for-EP-Companies-2015-Annual-Reports.pdf](#)

If you have any questions, please contact one of the lawyers listed below.