

## Media Covers Haynes and Boone Release of Energy Bankruptcy Reports

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August 28, 2019 Charles Beckham

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**PRACTICES** Restructuring, Finance, Energy, Power and Natural Resources, Energy Finance, Oil and Gas

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Many media outlets have covered Haynes Boone's Aug. 12 release of the Oil Patch Bankruptcy Monitor and Oilfield Services Bankruptcy Tracker, which provided updated details on bankruptcy filings in the energy sectors. Haynes Boone has closely monitored the number of North American bankruptcies in the energy sector since 2015. The firm periodically produces bankruptcy trackers and energy reports that exhaustively examine industry trends and developments.

Haynes Boone Partners Buddy Clark and [Charlie Beckham](#) were quoted in multiple articles about the firm's latest bankruptcy reports.

Here is an excerpt from *Reuters*:

Buddy Clark, a Haynes Boone partner, said however that he did not predict a new wave of producer bankruptcies similar to that which followed the oil price collapse mid-decade. In 2015, there were 44 oil and gas producers filing for protection with combined debts of \$17.4 billion.

"We're not going to see anywhere near the wave of bankruptcies in 2015," Clark said in an interview.

Many of 2019's filings are pre-planned, Chapter 11 restructurings, where creditors agree in advance on a financial restructuring plan, Clark said.

"I don't think you will see a lot of Chapter 7 (liquidations)," he said. "When you see Chapter 7s is when there are no assets left. Typically, there are always assets left."

To read the full article, click [here](#).

Here is an excerpt from *S&P Global Market Intelligence*:

Investors as well as lenders appear worried about the sector, according to SunTrust Robinson Humphrey Inc. oil and gas analyst Neal Dingmann. Investors peppered companies with refinancing questions during presentations at the Oil and Gas Conference by EnerCom Inc. in Denver, Dingmann told his clients Aug. 14. "Investors not only questioned what [was the] potential cost of capital ... but whether the market was even open to such transactions."

Chapter 11 filings this month by Halcón Resources Corp. and Sanchez Energy Corp. helped drive the number of oil and gas E&P bankruptcy filings to 26 so far in 2019, outpacing the 21 seen in all of 2018, law firm Haynes Boone LLP said their Aug. 14 Oil Patch Bankruptcy Monitor.

For several of these producers, such as Halcon, the filings follows a previous trip through Chapter 11 during the 2015-2016 oil and gas downturn and marks a capitulation, the firm said. Many firms reorganized three years ago only to discover there were no potential buyers, Buddy Clark, co-chair

of Haynes Boone's energy practice said. "They've been limping along," Clark said. "The public markets have just shut down and there are no obvious exits."

"For these producers the game clock has run out of time to keep playing 'kick the can' with their creditors and other stakeholders," the Haynes Boone's presentation said.

To read the full article, click [here](#).

Here is an excerpt from *Houston Business Journal*:

Many companies in the upstream space — which includes both producers and the companies that supply them with services and equipment — have been caught in a three-way pin between weak oil prices, shifting investor expectations and crushing debt.

Oil prices took a dive again toward the end of 2018, but it took the better part of a year for upstream companies to run out of options for servicing interest payments and maturities. A big part of why it's taken so long is "just the romance of the industry," Beckham said.

"An executive at an oil company has to believe in the future. They have been able to charm creditor constituencies for an extended period of time," Beckham said. "I think creditor constituencies have become frustrated and broken hearted."

Beckham is starting to see more pessimism among creditors in the upstream space, triggered by a realization that higher oil prices aren't going to swoop in and fix things any time in the near future, he said.

To read the full article, click [here](#). (Subscription required)

The following publications also covered the energy bankruptcy report updates:

[Bloomberg Law](#)

[FreightWaves](#)

[Houston Chronicle](#)

[Natural Gas Intelligence](#)

[Oil & Gas Journal](#)

[OilPrice.com](#)

[Reuters](#)

[The Texas Lawbook](#) (Subscription required)