

## Seventy Seven Energy Inc. Files for Court Approval of Prepackaged Reorganization Plan

**Release Date:**

Tuesday, June 7, 2016 10:49 am CDT

**Terms:****Dateline City:**

OKLAHOMA CITY

- *Solicitation Process Yields Approval of Plan from All Classes Entitled To Vote*
- *\$1.1 Billion of Existing Debt to Be Converted into New Common Equity*
- *Trade Creditors, Suppliers and Contractors to Be Paid in Full in the Ordinary Course*

OKLAHOMA CITY--(BUSINESS WIRE <sup>[1]</sup>)--Seventy Seven Energy Inc. (the "Company") today announced that it has filed a pre-packaged plan of reorganization under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. As previously announced, the Company's pre-packaged plan provides for a substantial deleveraging transaction pursuant to which approximately \$1.1 billion of the Company's outstanding debt will be converted to equity. The Chapter 11 reorganization is expected to conclude within 60 days.

The filing follows the completion of the solicitation process, which began on May 9 of (i) lenders representing the Company's Incremental Term Supplement (Tranche A) loan, (ii) lenders representing the Company's \$400 Million Term Loan Credit Agreement dated June 25, 2014, (iii) noteholders of the Company's 6.625% senior unsecured notes due 2019 and (iv) noteholders of the 6.50% senior unsecured notes due 2022. The solicitation process resulted in overwhelming approval of the pre-packaged plan presented by the Company.

"The successful completion of the solicitation process and today's filing represent the next step forward in our financial restructuring," Chief Executive Officer Jerry Winchester said. "The support of all of our stakeholders will allow our Company to expedite the reorganization process and maximize our operational strengths and assets to grow our business as the market recovers."

A key component of the Plan is that all trade creditors, suppliers and contractors will be paid in the ordinary course of business. All of the Company's commercial and operational contracts will remain in effect in accordance with their terms preserving the rights of all parties, and customer relationships will continue uninterrupted.

The Company has set up a toll-free information line to answer questions about the restructuring. The information line can be accessed by calling 844-224-1136 (internationally 1-917-962-8386). The Company has also posted FAQs on its website at [77NRG.com/Restructuring/](http://77NRG.com/Restructuring/) <sup>[2]</sup>.

**[About Seventy Seven Energy Inc.](#)**

Headquartered in Oklahoma City, SSE provides a wide range of wellsite services and equipment to U.S. land-based exploration and production customers. SSE's services include drilling, hydraulic fracturing and oilfield rentals and its operations are geographically diversified across many of the most active oil and natural gas plays in the onshore U.S., including the Anadarko and Permian basins and the Eagle Ford, Haynesville, Marcellus, Niobrara and Utica shales. For additional information about SSE, please visit our website at [www.77nrg.com](http://www.77nrg.com) <sup>[3]</sup>, where we routinely post announcements, updates, events, investor information and presentations and recent news releases.

This news release contains certain statements and information that may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. The words "believe," "ensure," "will" and similar expressions, and the negative thereof, are intended to identify forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this press release specifically include statements, estimates and projections regarding our business outlook and plans, including with respect to our capital structure, corporate valuation, future financial position and capital resources, operations, performance and growth. Forward-looking statements are not assurances of future performance. These forward-looking statements are based on management's current expectations and beliefs, forecasts for our existing operations, experience, and perception of historical trends, current conditions, anticipated future developments and their effect on us, and other factors believed to be appropriate. Although management believes that the expectations and assumptions reflected in these forward-looking statements are reasonable as and when made, no assurance can be given that these assumptions are accurate or that any of these expectations will be achieved (in full or at all). Moreover, our forward-looking statements are subject to significant risks and uncertainties, many of which are beyond our control, which may cause actual results to differ materially from our historical experience and our present expectations or projections which are implied or expressed by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, risks relating to economic conditions; volatility of crude oil and natural gas commodity prices; delays in or failure of delivery of current or future orders of specialized equipment; the loss of or interruption in operations of one or more key suppliers or customers; oil and gas market conditions; the effects of government regulation, permitting and other legal requirements, including new legislation or regulation of hydraulic fracturing; operating risks; the adequacy of our capital resources and liquidity; weather; litigation; competition in the oil and natural gas industry; and costs and availability of resources.

For additional information regarding known material factors that could cause our actual results to differ from our present

expectations and projected results, please see our filings with the U.S. Securities and Exchange Commission ("SEC"), including our Current Reports on Form 8-K that we file from time to time, Quarterly Reports on Form 10-Q, and our Annual Reports on Form 10-K.

Readers are cautioned not to place undue reliance on any forward-looking statement which speaks only as of the date on which such statement is made. We undertake no obligation to correct, revise or update any forward-looking statement after the date such statement is made, whether as a result of new information, future events or otherwise, except as required by applicable law.

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**Language:**

English

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**Ticker Slug:**

*Ticker:* SSE

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