

Simpson Thacher Advises on Exchange Offer in Connection With Strategic Transaction by Superior Energy Services

03.02.20



Simpson Thacher represented J.P. Morgan Securities LLC (“J.P. Morgan”) and Citigroup Global Markets Inc. (“Citi”) as dealer managers in connection with an offer by SESI, L.L.C. (“SESI”), a wholly owned subsidiary of Superior Energy Services, Inc. (“Superior Energy”) (NYSE: SPN), to exchange up to \$635 million of SESI’s 7.125% Senior Unsecured Notes due 2021 (“Existing Notes”) for up to \$635 million of newly issued SESI 7.125% Senior Unsecured Notes due 2021 (the “Exchange Securities”). Simpson Thacher also represented J.P. Morgan and Citi as solicitation agents in connection with the solicitation of consents by SESI to amend certain terms of the Existing Notes. \$618 million of Existing Notes were tendered and accepted in the exchange offer.

The exchange offer and consent solicitation were conducted in connection with Superior Energy's previously announced entry into a definitive agreement to divest its U.S. service rigs, coiled tubing, wireline, pressure control, flowback, fluid management and accommodations service lines and combine them (the "Combination") with Forbes Energy Services Ltd.'s (OTCQX: FLSS) complementary service lines to create a new, publicly traded consolidation platform for U.S. completion, production and water solutions (“NewCo”).

Upon the completion of the Combination, the Exchange Securities will be automatically exchanged into (1) \$243.3 million aggregate principal amount of Senior Secured Notes due 2025 of NewCo, (2) \$243.3 million aggregate principal amount of Senior Secured Notes due 2026 of SESI and (3) \$131.4 million in cash. Consenting holders will also receive an aggregate of \$6.35 million representing the consent solicitation fee.

Superior Energy serves the drilling, completion and production-related needs of oil and gas companies worldwide through a diversified portfolio of specialized oilfield services and equipment that are used throughout the economic life cycle of oil and gas wells.

The Simpson Thacher team included Brian Rosenzweig, Art Robinson, Matt Hart, Richie Ragusa, Crystal Oparaeke, Grant Gannon and Braxton Pitts (Capital Markets); Brandon Still, Robert Rabalais, Brandon Barton, Dylan Benac and Dustin Cooper (Banking and Credit); Dmitry Zelik (Tax); Soogy Lee (Intercreditor and Bankruptcy); Tim Mulvihill (Environmental); Larry Moss and Pasco Struhs (ECEB); and Lori Lesser and Alysha Sekhon (Intellectual Property).

Team and[Brian Rosenzweig](#)[Arthur Robinson](#)

Contacts

Partner

brosenzweig@stblaw.com

+1-713-821-5674

Matthew Hart

Counsel

matthew.hart@stblaw.com

+1-713-821-5632

Brandan Still

Partner

brandan.still@stblaw.com

+1-713-821-5653

Hyang-Sook Lee

Senior Counsel

slee@stblaw.com

+1-212-455-2763

Laurence Moss

Partner

larry.moss@stblaw.com

+1-212-455-2280

Lori Lesser

Partner

llesser@stblaw.com

+1-212-455-3393

Partner

arobinson@stblaw.com

+1-212-455-7086

Richard Ragusa

Associate

richard.ragusa@stblaw.com

+1 (713) 821-5656

Brandon Barton

Associate

brandon.barton@stblaw.com

+1-713-821-5668

Timothy Mulvihill

Counsel

tmulvihill@stblaw.com

+1-212-455-2394

J. Struhs

Associate

pasco.struhs@stblaw.com

+1-212-455-3983

Alysha Sekhon

Associate

alysha.sekhon@stblaw.com

+1-212-455-3762

