

CARRIZO OIL & GAS INC
Form 8-K
January 22, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (date of earliest event reported): January 19, 2018

CARRIZO OIL & GAS, INC.

(Exact name of registrant as specified in its charter)

Texas 000-29187-87 76-0415919
(State or other jurisdiction (Commission (I.R.S. Employer
of incorporation) File Number) Identification No.)

500
Dallas
Street
Suite 7002
2300
Houston,
Texas
(Address
of
principal executive
offices)

Registrant's telephone number, including area code: (713) 328-1000

Not applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. "

Item 7.01. Regulation FD Disclosure.

On January 22, 2018, Carrizo Oil & Gas, Inc. (the “Company”) issued a press release announcing the closing of the sale of its assets in the DJ Basin and the partial redemption of its 7.50% Senior Notes due 2020 (CUSIP No. 144577 AF0) (the “Notes”) and its 8.875% Redeemable Preferred Stock (the “Preferred Stock”). A copy of the press release is furnished as Exhibit 99.1 to this report and incorporated by reference herein.

None of the information furnished in this Item 7.01 and the accompanying exhibit will be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor will it be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the information in this Item 7.01 and the accompanying exhibit is not intended to, and does not, constitute a determination or admission by the Company, that the information in this Item 7.01 and the accompanying exhibit is material or complete, or that investors should consider this information before making an investment decision with respect to any security of the Company.

Item 8.01. Other Events.

On January 19, 2018, the Company closed the sale of its assets in the DJ Basin. The Company received approximately \$122.6 million at closing, subject to post-closing adjustments, and which excludes the previously-received deposit of \$14.0 million. Additionally, the Company could receive contingent payments of up to \$15.0 million in the aggregate based upon crude oil prices exceeding certain thresholds over the next three years.

On January 19, 2018, the Company also delivered a notice of redemption to the trustee for the Notes to call for redemption on February 18, 2018 (the “Notes Redemption Date”), \$100.0 million aggregate principal amount of the outstanding Notes, representing approximately 22% of the aggregate principal amount of the outstanding Notes. Upon completion of the redemption on the Notes Redemption Date, \$350.0 million aggregate principal amount of the Notes will remain outstanding. The Company instructed the trustee to provide notice of such redemption to the holders of the Notes on January 19, 2018 in accordance with the terms of the indenture governing such Notes. The Notes will be redeemed at a redemption price of 101.875% of the principal amount thereof plus accrued and unpaid interest on the Notes to be redeemed to the Notes Redemption Date. The funds to be used for the redemption of the Notes are expected to primarily be proceeds from the Company’s previously-announced divestiture program, including the sale of properties in the DJ Basin. Selection of the Notes for redemption will be made by the trustee in accordance with the terms of the indenture governing such Notes based on The Depository Trust Company’s method that most nearly approximates pro rata selection unless otherwise required by law; provided, that Notes and portions of Notes selected shall be in amounts of \$2,000 or whole multiples of \$1,000 in excess of \$2,000, except that if all of the Notes of a registered holder of the Notes are to be redeemed, the entire outstanding amount of Notes held by such registered holder, even if not a multiple of \$1,000, shall be redeemed.

On January 19, 2018, the Company also provided a notice of redemption to its redemption agent, Wells Fargo Bank, National Association, to be delivered to the holders of the Preferred Stock under which it called for redemption on January 24, 2018 (the “Preferred Redemption Date”), 50,000 of the shares of Preferred Stock, representing 20% of the issued and outstanding Preferred Stock. On the Preferred Redemption Date, the Preferred Stock will be redeemed at a redemption price per share equal to the liquidation preference of each such share of Preferred Stock as of the time of redemption or approximately \$1,009.73 per share. The Company has received net cash proceeds from one or more sales of oil and gas properties after August 10, 2017 that are in an aggregate amount sufficient to permit the redemption of the 50,000 shares of Preferred Stock in accordance with the Company’s Statement of Resolutions governing the Preferred Stock and the notice of redemption to the holders of the Preferred Stock.

This report shall not constitute a notice of redemption with respect to or an offer to purchase or sell (or the solicitation of an offer to purchase or sell) any securities.

Statements in this report that are not historical facts, including but not limited to those relating to the proposed redemptions, the disposition program including the timing and effects of either of them, amounts or proceeds to be used for the redemptions and other statements that are not historical facts, are forward-looking statements that are based on current expectations. Although the Company believes that its expectations are based on reasonable assumptions, it can give no assurance that these expectations will prove correct. Important factors that could cause actual results to differ materially from those in the forward-looking statements include the terms of the redemptions,

further results of the disposition program, other sources and uses of funds for the Company, actions by purchasers and debt and preferred holders, post-closing adjustments and other payments, results of operations, market conditions, capital needs and uses and other risks and uncertainties that are beyond the Company's control, including those described in the Company's Form 10-K for the year ended December 31, 2016 and in its other filings with the Securities and Exchange Commission.

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Item 9.01. Financial Statements and Exhibits.

(d)Exhibits.

Exhibit Number	Description
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99.1	<u>Press Release dated January 22, 2018 announcing the closing of Carrizo Oil & Gas, Inc.'s divestiture of its DJ Basin assets and the partial redemption of its 7.50% Senior Notes due 2020 and its 8.875% Redeemable Preferred Stock.</u>
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Carrizo Oil & Gas, Inc.

Date: January 22, 2018 By: /s/ David L. Pitts
Name: David L. Pitts
Title: Vice President and Chief Financial Officer