EUROSEAS LTD.
Form SC 13D/A
June 09, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13D
Under The Securities Exchange Act of 1934
(Amendment No.2)

Euroseas Ltd.
(Name of Issuer)

Common Shares, $0.03 par value
(Title of Class of Securities)

Y23592 20 0
(CUSIP Number)

Friends Investment Company Inc.
4 Messogiou Street & Evropis St.
151 25 Maroussi Greece
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

June 4, 2010
(Date of Event Which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), Rule 13d-1(f) or Rule 13d-1(g), check the following box [X].

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

CUSIP No. Y23592 20 0

1. NAME OF REPORTING PERSONS
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Friends Investment Company Inc.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*
(a) [_]
(b) [_]

3. SEC USE ONLY

4. SOURCE OF FUNDS*

WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e) [_]

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Republic of the Marshall Islands

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER

10,483,368

8. SHARED VOTING POWER

-0-

9. SOLE DISPOSITIVE POWER

10,483,368

10. SHARES DISPOSITIVE POWER [_]

-0-

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

10,483,368

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

[ ]

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

34.0%

14. TYPE OF REPORTING PERSON*

CO

CUSIP NO. Y23592 20 0

Item 1. Security and Issuer

This Schedule 13D relates to shares of common shares, $0.03 par value (the "Shares") of Euroseas Ltd., a Marshall Islands corporation (the "Issuer"). The principal executive office and mailing address of the Issuer is 4 Messogiou Street & Evropis St., 151 25 Maroussi Greece.

Item 2. Identity and Background

This Schedule 13D is being filed on behalf of Friends Investment Company Inc. (the "Reporting Person").

(a, b, c) The address of the Reporting Person's principal place of business is 4 Messogiou Street & Evropis St., 151 25 Maroussi Greece. The principal business of the Reporting Person is acting as an investment holding company. The name, citizenship, present principal occupation and the name, principal business and address of any corporation or other organization in which such employment is conducted of each executive officer and director of the Reporting Person is set forth below. Unless otherwise indicated, the present principal occupation of each person is with the Reporting Person. If no business address is given, the director's or executive officer's address is 4 Messogiou Street & Evropis St., 151 25 Maroussi Greece.

Aristides P. Pittas	President, Director	Mr. Pittas is a citizen of Greece. His principal occupation is serving as Vice Chairman of the Issuer.
Aristides J. Pittas	Vice President/ Director	Mr. Pittas is a citizen of Greece. His principal occupation is serving as Chairman, CEO and President of the Issuer and President of Eurobulk Ltd.
Nikolaos J. Pittas	Treasurer/Secretary/ Director	Mr. Pittas is a citizen of Greece. His principal occupation is serving as the financial manager of Eurobulk Ltd.
George Skarvelis	Director	Mr. Skarvelis is a citizen of Greece. His principal occupation is serving as manager of Marine Spirit.
Emmanuel Pittas	Director	Mr. Pittas is a citizen of Greece. His principal occupation is serving as vice president of Eurobulk Ltd.

(d, e) To the best knowledge of the Reporting Person, none of the entities or persons identified in this Item 2 has, during the past five years, been convicted of any criminal proceeding (excluding traffic violations or similar misdemeanors), nor been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

Item 3. Source and Amount of Funds or Other Consideration

The source of funds for the purchases of 10,483,368 Shares held in the account of the Reporting Person was the working capital of the Reporting Person.

No borrowed funds were used to purchase the Shares, other than any borrowed funds used for working capital purposes in the ordinary course of business and certain funds borrowed from Oppenheimer and Co. pursuant to a loan under which 3,000,000 Shares serve as collateral.

The other persons named in response to Item 2 hold the following number of Shares in their accounts which they received pursuant to the Issuer's Stock Incentive Plan:

Aristides P. Pittas	10,000 vested Shares, 15,000 unvested Shares
Aristides J. Pittas	90,000 vested Shares, 60,000 unvested Shares
Nikolaos J. Pittas	25,000 vested Shares, 15,000 unvested Shares
George Skarvelis	9,500 vested Shares, 7,500 unvested Shares
Emmanuel Pittas	25,000 vested Shares, 15,000 unvested Shares

Item 4. Purpose of Transaction

The Reporting Person has acquired its Shares of the Issuer for investment. The Reporting Person evaluates its investment in the Shares on a continual basis. The Reporting Person has no plans or proposals as of the date of this filing which, other than as expressly set forth below, relate to, or would result in, any of the actions enumerated in Item 4 of the instructions to Schedule 13D.

Aristides J. Pittas, who serves as the Vice President and a director of the Reporting Person, is the Chairman, President, Chief Executive Officer and a Class A Director of the Issuer. Aristides P. Pittas, who serves as the President and a director of the Reporting Person, is the Vice Chairman and a Class A Director of the Issuer. George Skarvelis, who serves as a director of the Reporting Person, is a Class B Director of the Issuer.

On March 25, 2010, the Reporting Person and Aristides J. Pittas entered into a Shareholder Voting Agreement with the Issuer, Paros Ltd., All Seas Investors I Ltd., All Seas Investors II Ltd. and All Seas Investors III Ltd. (the "Shareholder Agreement") whereby the Reporting Person has agreed to vote its Shares in favor of any directors nominated by Eton Park Capital Management, L.P. ("Eton Park") and Rhône Capital III L.P. ("Rhône") to fill additional board seats which may be created pursuant to the provisions of the joint venture agreement between the Issuer and companies managed by Eton Park and an affiliate of Rhône. In addition, the Reporting Person has agreed that it will support the directors nominated by Eton Park and Rhône for so long as Eton Park and Rhône satisfy the applicable ownership thresholds in the joint venture agreement.

Item 5. Interest in Securities of the Issuer

(a), (b) According to the Issuer's press release filed on Form 6-K, there were 30,849,711 Shares issued and outstanding as of March 31, 2010. Based on such information, the Reporting Person reports beneficial ownership of the following Shares:

The Reporting Person may be deemed to beneficially own 10,483,368 Shares, representing approximately 34.0% of the outstanding Shares of the Issuer. The Reporting Person has the sole power to vote 10,483,368 Shares and the shared power to vote 0 Shares. The Reporting Person has the sole power to dispose of 10,483,368 Shares and the shared power to dispose of 0 Shares.

None of the other persons named in response to Item 2 have the sole power to vote or to direct the vote, the shared power to vote or direct the vote, the sole power to dispose or to direct the disposition of the Shares that are the subject of this Statement.

(c) The Reporting Person's transactions in the Shares during the past sixty days are set forth in Exhibit B. All such transactions were conducted in the open market.

(d) No other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, any of the Issuer's Shares beneficially owned by the Reporting Person.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with
Respect to Securities of the Issuer

On March 25, 2010, the Reporting Person and Aristides J. Pittas entered into the Shareholder Voting Agreement described in Item 4 of this Amendment No. 1 to the Schedule 13D. The Reporting Person has agreed to vote its Shares in favor of any directors nominated by Eton Park and Rhône to fill additional board seats which may be created pursuant to the provisions of the joint venture agreement between the Issuer and companies managed by Eton Park and an affiliate of Rhône.

Item 7. Material to be Filed as Exhibits

Exhibit A: Voting Agreement dated March 25, 2010 by and among the Reporting Person, Aristides J. Pittas, the Issuer, Paros Ltd., All Seas Investors I Ltd., All Seas Investors II Ltd. and All Seas Investors III Ltd. (incorporated by reference from Amendment 1 to this Schedule 13D filed on March 26, 2010)

Exhibit B – Schedule of the Reporting Person's transactions in the Shares during the past sixty days.

SIGNATURES

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: June 9, 2010

FRIENDS INVESTMENT COMPANY INC.

By: /s/ Aristides J.Pittas____
Name: Aristides J. Pittas
Title: Vice President

EXHIBIT B

TRANSACTIONS IN THE SHARES BY THE REPORTING PERSONS
DURING THE PAST SIXTY DAYS

DATE	SHARES PURCHASED/(SOLD)	PRICE
05/17/2010	400	3.66
05/17/2010	3200	3.72
05/17/2010	3000	3.75
05/17/2010	6216	3.80
05/17/2010	6977	3.75
05/17/2010	5000	3.75
05/17/2010	5000	3.70
05/17/2010	300	3.81
05/17/2010	800	3.68
05/18/2010	3000	3.82
05/18/2010	5000	3.82
05/18/2010	5000	3.81
05/18/2010	2924	3.77
05/18/2010	7109	3.82
05/18/2010	5000	3.87
05/18/2010	5000	3.87
05/18/2010	5000	3.85
05/18/2010	1636	3.87
05/18/2010	5000	3.87
05/18/2010	1900	3.72
05/19/2010	5000	3.64
05/19/2010	10000	3.67
05/19/2010	10000	3.67
05/19/2010	2800	3.62
05/20/2010	5000	3.51
05/20/2010	10000	3.52
05/20/2010	5000	3.52
05/20/2010	5000	3.52
05/21/2010	5000	3.52
05/21/2010	5000	3.51
05/21/2010	5000	3.57
05/21/2010	5000	3.61
05/21/2010	5000	3.66
05/21/2010	5000	3.67
05/21/2010	2479	3.67
05/21/2010	5000	3.67
05/24/2010	5000	3.51
05/24/2010	5000	3.52
05/24/2010	5000	3.52
05/24/2010	5000	3.62
05/25/2010	10000	3.27
05/25/2010	10000	3.40

05/25/2010	10433	3.37
05/25/2010	10000	3.42
05/25/2010	2000	3.56
05/26/2010	20000	3.57
05/26/2010	5000	3.53
	10000	
05/26/2010	p:0px;margin-bottom:0px">	

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Concurrent offerings

Concurrent with this offering of common stock we are conducting (i) a private unregistered offering of convertible notes with an aggregate principal amount of $1.0 billion (or up to $1.15 billion aggregate principal amount if the initial purchasers in such offering exercise in full their option to purchase additional convertible notes) and (ii) a private unregistered offering of senior notes with an aggregate principal amount of $750 million.

We estimate that the aggregate net proceeds from the Concurrent Offerings will be approximately $1.7 billion (or $1.9 billion if the initial purchasers in the Concurrent Convertible Note Offering exercise in full their option to purchase additional convertible notes), after deducting initial purchasers discounts and commissions and with respect to the Concurrent Senior Note Offering estimated offering expenses payable by us.

We intend to use the net proceeds from this offering and the Concurrent Offerings to repay all or a portion of the amount outstanding under the Credit Agreement, of which approximately $760 million was used to finance the purchase of Kodiak notes pursuant to the Kodiak Change of Control Offer, and any remainder for our general corporate purposes. See Use of proceeds. Assuming completion of this offering and the Concurrent Offerings yielding aggregate net proceeds of $2.9 billion or more, we will have availability of approximately $3.5 billion under the revolving credit facility of the Credit Agreement (which is subject to the borrowing base which is subject to regular redeterminations on May 1 and November 1 of each year, as well as special redeterminations described in the Credit Agreement). Upon completion of this offering and the Concurrent Offerings, the undrawn $1.0 billion delayed draw term loan facility under our Credit Agreement will be terminated.

Convertible notes. The convertible notes will bear cash interest at an annual rate of % payable semi-annually. The conversion rate for the convertible notes will initially be shares of common stock per $1,000 principal amount of convertible notes (equivalent to an initial conversion price of approximately $ per share of common stock), subject to adjustment. Holders may convert their convertible notes at their option only upon satisfaction of certain conditions and during certain periods. Upon conversion of the notes, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election. Upon the occurrence of a fundamental change, which term includes certain change of control transactions, we must offer to repurchase the convertible notes at a price equal to 100% of their principal amount, plus accrued and unpaid interest to, but not including, the date of repurchase.

Senior notes. The senior notes will bear cash interest at an annual rate of % payable semi-annually. Upon the occurrence of certain change of control events followed by a ratings decline, or in certain circumstances following asset sales, we must offer to repurchase the senior notes at a price of 101% of their principal amount and 100% of their principal amount, respectively, plus accrued and unpaid interest to, but not including, the date of repurchase.

The Concurrent Offerings are only being made pursuant to separate confidential offering memoranda and nothing contained herein shall constitute an offer to sell or the solicitation of an offer to buy the convertible notes or the senior notes. This offering is not conditioned upon the completion of the other offerings.

Corporate information

Our principal executive offices are located at 1700 Broadway, Suite 2300, Denver, Colorado 80290-2300, and our telephone number is (303) 837-1661.

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The offering

The following is a brief summary of some of the terms of this offering. As used in this section, the terms we, us or our refer to Whiting Petroleum Corporation and not any of its subsidiaries.

Issuer	Whiting Petroleum Corporation, a Delaware corporation.
Common stock offered	35,000,000 shares.
Option to purchase additional shares	We have granted the underwriter an option for a period of up to 30 days from the date of this prospectus supplement to purchase up to an additional 5,250,000 shares of common stock.
Shares issued and outstanding immediately after this offering	Based on 169,487,592 shares issued and outstanding as of March 16, 2015, 204,487,592 shares will be issued and outstanding immediately after this offering if the underwriter s option to purchase additional shares is not exercised. If the underwriter s option to purchase additional shares is exercised in full, we will issue and sell an additional 5,250,000 shares of our common stock and 209,737,592 shares would be issued and outstanding immediately after this offering.
Concurrent Offerings	Concurrently with this offering, we are also conducting private offerings of convertible notes with an aggregate principal amount of $1.0 billion (or up to $1.15 billion aggregate principal amount if the initial purchasers in the Concurrent Convertible Note Offering exercise in full their option to purchase additional convertible notes) and of senior notes with an aggregate principal amount of $750 million.
	The Concurrent Offerings are only being made pursuant to separate confidential offering memoranda and nothing contained herein shall constitute an offer to sell or the solicitation of an offer to buy the convertible notes or the senior notes.

This offering is not conditioned upon the closing of the other offerings.

Use of proceeds	We assume that the net proceeds from this offering, after deducting underwriter s discounts and commissions for this offering, will be approximately $1.4 billion (or approximately $1.6 billion if the underwriter exercises in full its option to purchase additional shares of our common stock).
	We estimate that the aggregate net proceeds from the Concurrent Offerings will be approximately $1.7 billion (or $1.9 billion if the initial purchasers in the Concurrent Convertible Note Offering exercise in full their option to purchase additional convertible notes), after deducting initial purchasers discounts and commissions and with respect to the Concurrent Senior Note Offering estimated offering expenses payable by us.
	We intend to use the net proceeds from this offering and the Concurrent Offerings to repay all or a portion of the amount outstanding under the Credit

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	Agreement, of which approximately $760 million was used to finance the purchase of Kodiak notes pursuant to the Kodiak Change of Control Offer, and any remainder for our general corporate purposes. See Use of proceeds.
Conflicts of interest	We intend to use more than five percent of the net proceeds of this offering and the Concurrent Offerings, to repay all or a portion of the amount outstanding under the Credit Agreement owed by us to an affiliate of J.P. Morgan Securities LLC, who is the underwriter in this offering. See Use of proceeds. Because of the manner in which the proceeds will be used, the offering will be conducted in accordance with FINRA Rule 5121. In accordance with that rule, no qualified independent underwriter is required, because a bona fide public market exists in the shares, as that term is defined in such rule. For more information, see Underwriting (conflicts of interest).
Material U.S. federal income tax considerations	The material U.S. federal income tax considerations of purchasing, owning and disposing of the shares of common stock are described in Material U.S. federal income tax considerations.
Risk factors	See Risk factors beginning on page S-13 of this prospectus supplement for a discussion of risks you should carefully consider before deciding to invest in shares of our common stock.

Unless indicated, all share figures in this prospectus supplement:

- assume no exercise by the underwriter of its option to purchase additional shares in this offering;
- assume no exercise by the initial purchasers for the Concurrent Convertible Note Offering of their option to purchase additional convertible notes; and
- exclude (a) 677,180 shares of our common stock underlying stock options and (b) 4,037,899 shares of our common stock reserved for issuance in connection with our equity incentive plans, in each case, as of March 16, 2015.

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Summary historical consolidated and pro forma combined financial information

The following summary historical consolidated financial information for the years ended December 31, 2012, 2013 and 2014 and as of December 31, 2012, 2013 and 2014 has been derived from, and is qualified by reference to, our audited consolidated financial statements and related notes. Our historical results are not necessarily indicative of future operating results. This information is only a summary and you should read it in conjunction with our consolidated financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2014 and incorporated by reference in this prospectus supplement and the accompanying prospectus.

The following summary unaudited pro forma combined financial information for the year ended December 31, 2014 has been derived from and should be read in conjunction with our unaudited pro forma combined statement of operations and related notes provided under the section entitled Unaudited pro forma combined financial information of this prospectus supplement. The unaudited pro forma combined statement of operations for the year ended December 31, 2014 gives effect to the Kodiak Acquisition, which includes the assumption or repayment by Whiting of Kodiak s outstanding debt, as if it had occurred on January 1, 2014. In our opinion, all adjustments that are necessary to present fairly the pro forma combined information have been made. The following unaudited pro forma combined financial information does not purport to represent what our results of operations would have been if the Kodiak Acquisition had occurred on such date, nor is it indicative of future results of operations. In addition, the unaudited pro forma combined statement of operations does not give effect to this offering or the Concurrent Offerings or the use of proceeds therefrom.

	Year ended December 31,			
	2012	**2013**	**2014**	**2014 pro forma**
	(in millions, except per share data)			
Consolidated statements of income information:				
Revenues and other income:				
Oil, NGL and natural gas sales	$ 2,137.7	$ 2,666.5	$ 3,024.6	$ 4,033.3
Gain (loss) on hedging activities	2.3	(1.9)		
Amortization of deferred gain on sale	29.5	31.7	30.5	30.5
Gain on sale of properties	3.4	128.6	27.6	27.7
Interest income and other	0.5	3.4	2.3	49.5
Total revenues and other income	2,173.4	2,828.3	3,085.0	4,141.0
Costs and expenses:				
Lease operating	376.4	430.2	496.9	666.3
Production taxes	171.6	225.4	253.0	359.8
Depreciation, depletion and amortization	684.7	891.5	1,089.5	1,337.4
Exploration and impairment[(1)]	167.0	453.2	854.4	859.1
General and administrative	108.6	138.0	177.2	165.1
Interest expense	75.2	112.9	170.6	249.9
Loss on early extinguishment of debt		4.4		
Change in Production Participation Plan liability	13.8	(7.0)		
Commodity derivative (gain) loss, net	(85.9)	7.8	(100.5)	(225.2)
Total costs and expenses	1,511.4	2,256.4	2,941.1	3,412.4
Income before income taxes	662.0	571.9	143.9	728.6
Income tax expense	247.9	205.9	79.2	309.3
Net income	414.1	366.0	64.7	419.3
Net loss attributable to noncontrolling interest	0.1	0.1	0.1	0.1
Net income available to shareholders	414.2	366.1	64.8	419.4
Preferred stock dividends	(1.1)	(0.5)		

Net income available to common shareholders	$ 413.1	$ 365.5	$ 64.8	$ 419.4
Earnings per common share, basic	$ 3.51	$ 3.09	$ 0.53	$ 2.52
Earnings per common share, diluted	$ 3.48	$ 3.06	$ 0.53	$ 2.51

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	Year ended December 31, 2012	2013	2014
	(in millions, except per share data)		
Other financial information:			
Net cash provided by operating activities	$ 1,401.2	$ 1,744.7	$ 1,815.3
Net cash used in investing activities	(1,780.3)	(1,902.5)	(2,860.5)
Net cash provided by financing activities	408.1	812.4	423.9
Capital expenditures	2,171.5	2,772.7	2,888.4
Consolidated balance sheet information:			
Total assets	$ 7,272.4	$ 8,833.5	$ 14,019.5
Long-term debt	1,800.0	2,653.8	5,628.8
Total equity[2]	3,453.2	3,836.7	5,703.0

(1) Includes proved oil and gas property impairments of $587 million and CO_2 property impairments of $42 million for the year ended December 31, 2014, and proved oil and gas property impairments of $267 million for the year ended December 31, 2013.

(2) No cash dividends were declared or paid on our common stock during the periods presented.

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Summary historical reserve and operating data

The following tables present summary information regarding our estimated net proved, probable and possible oil and natural gas reserves as of December 31, 2012, 2013 and 2014 and our historical operating data for the years ended December 31, 2012, 2013 and 2014. The reserve estimates presented in the table below are based on reports prepared by Cawley Gillespie & Associates, Inc., independent reserve engineers. Estimates of proved oil and natural gas reserves are inherently uncertain, and any material inaccuracies in the estimates prepared by our external reserve engineers will materially affect the quantities and values of our reserves. All calculations of estimated net proved, probable and possible reserves have been made in accordance with the SEC s rules and regulations regarding oil and natural gas reserve reporting that are currently in effect. Because of normal production declines, increased or decreased drilling activities and the effects of acquisitions or divestitures, the historical data presented below should not be interpreted as being indicative of future results. 2014 reserve data includes the properties acquired in the Kodiak Acquisition and 2014 operating data includes the results of the Kodiak properties from and after the date of the Kodiak Acquisition.

You should refer to Risk Factors, Business and Management s Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2014, and our financial statements and notes thereto contained in such report, which are incorporated by reference in this prospectus supplement and the accompanying prospectus, in evaluating the information presented below.

			As of December 31,
	2012	2013	2014
Reserve data:[(1)]			
Total estimated proved developed reserves:			
Oil (MBbl)	190,845	198,204	333,593
NGLs (MBbl)	24,204	23,721	28,935
Natural gas (MMcf)	160,893	183,129	298,237
Total (MBOE)	241,864	252,446	412,234
Total estimated proved reserves:			
Oil (MBbl)	301,285	347,421	643,629
NGLs (MBbl)	40,098	44,869	54,684
Natural gas (MMcf)	224,264	277,514	492,020
Total (MBOE)[(2)]	378,760	438,542	780,316
Pre-tax PV10% (in millions)[(3)]	$ 7,283.9	$ 8,994.0	$ 14,135.4
Standardized measure of discounted future net cash flows (in millions)	$ 5,407.0	$ 6,593.9	$ 10,843.4
Total estimated probable reserves:			
Oil (MBbl)	84,982	109,268	334,244
NGLs (MBbl)	11,922	22,330	18,717
Natural gas (MMcf)	109,582	267,555	278,073
Total (MBOE)[(2)]	115,168	176,191	399,306
Total estimated possible reserves:			
Oil (MBbl)	123,179	137,223	180,104
NGLs (MBbl)	21,936	24,607	25,844
Natural gas (MMcf)	156,382	163,780	117,605
Total (MBOE)[(2)]	171,178	189,127	225,549

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(1) Oil and gas reserve quantities and related discounted future net cash flows have been derived from oil and gas prices calculated using an average of the first-day-of-the month price for each month within the 12 months ended December 31, 2012, 2013 and 2014, respectively, pursuant to current SEC and FASB guidelines.

(2) The proved, probable and possible reserves attributable to the Postle properties, which were sold on July 15, 2013, were 45,065 MBOE, 13,150 MBOE and 80 MBOE, respectively, as of December 31, 2012.

(3) Pre-tax PV10% may be considered a non-GAAP financial measure as defined by the SEC and is derived from the standardized measure of discounted future net cash flows, which is the most directly comparable GAAP financial measure. Pre-tax PV10% is computed on the same basis as the standardized measure of discounted future net cash flows but without deducting future income taxes. We believe pre-tax PV10% is a useful measure for investors for evaluating the relative monetary significance of our oil and natural gas properties. We further believe investors may utilize our pre-tax PV10% as a basis for comparison of the relative size and value of our proved reserves to other companies because many factors that are unique to each individual company impact the amount of future income taxes to be paid. Our management uses this measure when assessing the potential return on investment related to our oil and gas properties and acquisitions. However, pre-tax PV10% is not a substitute for the standardized measure of discounted future net cash flows. Our pre-tax PV10% and the standardized measure of discounted future net cash flows do not purport to present the fair value of our proved oil, NGL and natural gas reserves.

	Year ended December 31,		
	2012	**2013**	**2014**
Operating data:			
Net production:			
Oil (MMBbl)	23.1	27.0	33.5
NGLs (MMBbl)	2.8	2.8	3.3
Natural gas (Bcf)	25.8	26.9	30.2
Total production (MMBOE)	30.2	34.3	41.8
Net sales (in millions):			
Oil[(1)]	$ 1,940.5	$ 2,443.7	$ 2,729.0
NGLs	108.9	114.0	128.6
Natural gas	88.3	108.8	167.0
Total oil, NGL and natural gas sales	$ 2,137.7	$ 2,666.5	$ 3,024.6
Average sales prices:			
Oil (per Bbl)[(1)]	$ 83.86	$ 90.39	$ 81.50
Effect of oil hedges on average price (per Bbl)	(1.25)	(1.13)	1.29
Oil net of hedging (per Bbl)	$ 82.61	$ 89.26	$ 82.79
Weighted average NYMEX price (per Bbl)[(2)]	$ 94.03	$ 98.02	$ 91.55
NGLs (per Bbl)	$ 39.36	$ 40.41	$ 39.17
Natural gas (per Mcf)[(1)]	$ 3.42	$ 4.04	$ 5.53
Effect of natural gas hedges on average price (per Mcf)	0.06		
Natural gas net of hedging (per Mcf)	$ 3.48	$ 4.04	$ 5.53
Weighted average NYMEX price (per Mcf)[(2)]	$ 2.79	$ 3.66	$ 4.40
Costs and expenses (per BOE):			
Lease operating expenses	$ 12.46	$ 12.53	$ 11.89
Production taxes	$ 5.68	$ 6.56	$ 6.05

Depreciation, depletion and amortization	$ 22.67	$ 25.96	$ 26.06
General and administrative	$ 3.59	$ 4.02	$ 4.24

(1) Before consideration of hedging transactions.

(2) Average NYMEX pricing weighted for monthly production volumes.

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Risk factors

Each of the risks described below should be carefully considered, together with all of the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision with respect to shares of our common stock. In the event of the occurrence, reoccurrence, continuation or increased severity of any of the risks described below, our business, financial condition or results of operations could be materially and adversely affected, and you may lose all or part of your investment.

Risks related to our business

Oil and natural gas prices are very volatile. An extended period of low oil and natural gas prices may adversely affect our business, financial condition, results of operations or cash flows.

The oil and gas markets are very volatile, and we cannot predict future oil and natural gas prices. The price we receive for our oil, NGL and natural gas production heavily influences our revenue, profitability, access to capital and future rate of growth. The prices we receive for our production depend on numerous factors beyond our control. These factors include, but are not limited to, the following:

- changes in regional, domestic and global supply and demand for oil and natural gas;
- the actions of the Organization of Petroleum Exporting Countries;
- the level of global oil and natural gas inventories;
- the price and quantity of imports of foreign oil and natural gas;
- political and economic conditions, including embargoes, in oil-producing countries or affecting other oil-producing activity, such as recent conflicts in the Middle East;
- the level of global oil and natural gas exploration and production activity;
- the effects of global credit, financial and economic issues;
- developments of United States energy infrastructure, such as President Obama s recent veto of legislation that would have allowed the Keystone XL pipeline from Hardesty, Alberta to Cushing, Oklahoma to proceed and the development of liquefied natural gas exporting facilities and the perceived timing thereof;
- weather conditions;
- technological advances affecting energy consumption;

- domestic and foreign governmental regulations;
- proximity and capacity of oil and natural gas pipelines and other transportation facilities;
- the price and availability of competitors supplies of oil and natural gas in captive market areas;
- the price and availability of alternative fuels; and
- acts of force majeure.

Moreover, government regulations, such as regulation of oil and natural gas gathering and transportation, can adversely affect commodity prices in the long term.

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These factors and the volatility of the energy markets generally make it extremely difficult to predict future oil and natural gas price movements. Also, prices for oil and prices for natural gas do not necessarily move in tandem. Declines in oil or natural gas prices would not only reduce revenue but could reduce the amount of oil and natural gas that we can economically produce. If the oil and natural gas industry experiences significant price declines, we may, among other things, be unable to meet all of our financial obligations or make planned expenditures.

Oil prices have fallen significantly since reaching highs of over $105.00 per Bbl in June 2014, dropping below $45.00 per Bbl in January 2015. Natural gas prices have also declined from over $4.80 per Mcf in April 2014 to below $2.60 per Mcf in February 2015. In addition, forecasted prices for both oil and gas for 2015 have also declined.

Lower oil, NGL and natural gas prices may not only decrease our revenues on a per unit basis but also may ultimately reduce the amount of oil and natural gas that we can produce economically and therefore potentially lower our reserve quantities. A substantial or extended decline in oil, NGL or natural gas prices may result in impairments of our proved oil and gas properties and may materially and adversely affect our future business, financial condition, results of operations, liquidity or ability to finance planned capital expenditures. To the extent commodity prices received from production are insufficient to fund planned capital expenditures, we will be required to reduce spending or borrow any such shortfall. Lower oil, NGL and natural gas prices may also reduce the amount of our borrowing base under the Credit Agreement, which is determined at the discretion of the lenders based on the collateral value of our proved reserves that have been mortgaged to the lenders, and is subject to regular redeterminations on May 1 and November 1 of each year, as well as special redeterminations described in the Credit Agreement. At the time of the last redetermination, the applicable oil and gas prices were $92.68 per Bbl and $3.88 per Mcf, whereas the quoted NYMEX prices for oil and gas on March 16, 2015 were $43.88 per Bbl and $2.72 per Mcf.

Alternatively, higher oil and natural gas prices may result in significant mark-to-market losses being incurred on our commodity-based derivatives, which may in turn cause us to experience net losses.

Drilling for and producing oil and natural gas are high risk activities with many uncertainties that could adversely affect our business, financial condition or results of operations.

Our future success will depend on the success of our exploration, development and production activities. Our oil and natural gas exploration and production activities are subject to numerous risks beyond our control, including the risk that drilling will not result in commercially viable oil or natural gas production. Our decisions to purchase, explore, develop or otherwise exploit prospects or properties will depend in part on the evaluation of data obtained through geophysical and geological analyses, production data and engineering studies, the results of which are often inconclusive or subject to varying interpretations. Please read Reserve estimates depend on many assumptions that may turn out to be inaccurate later in these Risk factors for a discussion of the uncertainty involved in these processes. Our cost of drilling, completing and operating wells is often uncertain before drilling commences. Overruns in budgeted expenditures are common risks that can make a particular project uneconomical. Further, many factors may curtail, delay or cancel drilling, including the following:

- delays imposed by or resulting from compliance with regulatory requirements;
- delays or limits on the issuance of drilling permits on our federal leases, including as a result of government shutdowns;
- pressure or irregularities in geological formations;
- shortages of or delays in obtaining qualified personnel or equipment, including drilling rigs, completion services and CO_2;

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equipment failures or accidents;

adverse weather conditions, such as freezing temperatures, hurricanes and storms;

reductions in oil, NGL and natural gas prices;

pipeline takeaway and refining and processing capacity; and

title problems.

Our debt level and the covenants in the agreements governing our debt could negatively impact our financial condition, results of operations, cash flows and business prospects.

As of December 31, 2014, we had $1.4 billion in borrowings and $3 million in letters of credit outstanding under the Credit Agreement with $3.1 billion of available borrowing capacity (including a $1.0 billion undrawn delayed draw facility that will be terminated upon completion of this offering and the Concurrent Offerings), as well as $3.9 billion of senior notes outstanding and $350 million of existing senior subordinated notes. As of December 31, 2014, and after giving effect to the Kodiak Change of Control Offer and the related borrowings under the Credit Agreement, additional borrowings since December 31, 2014 of $0.7 billion used to finance our capital expenditures and general operations, the termination of the delayed draw term loan facility under the Credit Agreement, this offering and the Concurrent Offerings yielding aggregate net proceeds of $2.9 billion or more and the application of the net proceeds therefrom as set forth under Use of proceeds, we would have had no amount outstanding under the Credit Agreement, leaving availability of approximately $3.5 billion (subject to the borrowing base which is subject to regular redeterminations on May 1 and November 1 of each year, as well as special redeterminations described in the Credit Agreement), $4.9 billion of senior notes (which includes $1.0 billion of the convertible notes and $750 million of the senior notes offered in the Concurrent Offerings) and $350 million of senior subordinated notes outstanding. We are permitted to incur additional indebtedness, provided that we meet certain requirements in the indentures governing our existing notes and the Kodiak notes, the Credit Agreement and the indenture that will govern the senior notes offered in the Concurrent Senior Note Offering.

Our level of indebtedness and the covenants contained in the agreements governing our debt could have important consequences for our operations, including the following:

making it more difficult for us to satisfy our obligations with respect to our indebtedness, and any failure to comply with the obligations of any of our debt agreements, including financial and other restrictive covenants, which could result in an event of default under the Credit Agreement, and the indentures governing our existing notes and the Kodiak notes and the indenture that will govern the senior notes offered in the Concurrent Senior Note Offering;

requiring us to dedicate a substantial portion of our cash flow from operations to required payments on debt, thereby reducing the availability of cash flow for working capital, capital expenditures and other general business activities;

limiting our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions and general corporate and other activities;

limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

placing us at a competitive disadvantage relative to other less leveraged competitors;

making us vulnerable to increases in interest rates, because debt under the Credit Agreement is subject to certain rate variability;

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- making us more vulnerable to economic downturns and adverse developments in our industry or the economy in general, especially declines in oil and natural gas prices; and

- when oil and natural gas prices decline, our ability to maintain compliance with our financial covenants becomes more difficult and our borrowing base is subject to reductions, which may reduce or eliminate our ability to fund our operations.

If we are in default under the agreements governing our indebtedness, we would not be able to pay dividends on our capital stock. Our ability to comply with these covenants and other restrictions may be affected by events beyond our control, including prevailing economic and financial conditions. Moreover, the borrowing base limitation on the Credit Agreement is regularly redetermined on May 1 and November 1 of each year and may be the subject of special redetermination described in the Credit Agreement based on an evaluation of our oil and gas reserves. Because oil and gas prices are principal inputs into the valuation of our reserves, if oil and gas prices remain at their current levels for a prolonged period or go lower, our borrowing base could be reduced at the next redetermination date or during future redeterminations. Upon a redetermination, if borrowings in excess of the revised borrowing capacity were outstanding, we could be forced to immediately repay a portion of our borrowings outstanding under the Credit Agreement.

We may not have sufficient funds to make such repayments. If we are unable to repay our debt out of cash on hand, we could attempt to refinance such debt, sell assets or repay such debt with the proceeds from an equity offering. We may not be able to generate sufficient cash flow to pay the interest on our debt or future borrowings, issuances of debt securities and equity financings or proceeds from the sale of assets may not be available to pay or refinance such debt. The terms of our debt, including the Credit Agreement, may also prohibit us from taking such actions. Factors that will affect our ability to raise cash through an offering of our capital stock or debt securities, a refinancing of our debt or a sale of assets include financial market conditions and our market value and operating performance at the time of such offering or other financing. We may not be able to successfully complete any such offering, refinancing or sale of assets.

If we cannot make scheduled payments on our indebtedness or otherwise fail to comply with the covenants and other restrictions in the agreements governing our debt, including the convertible notes and the senior notes offered in the Concurrent Offerings, we will be in default and holders of any notes could declare all outstanding principal and interest to be due and payable, the lenders under the Credit Agreement could terminate their commitments to loan money, our secured lenders could foreclose against the assets securing their borrowings and we could be forced into bankruptcy or liquidation. Our inability to generate sufficient cash flows to satisfy our debt obligations, or to refinance our indebtedness on commercially reasonable terms or at all, would materially and adversely affect our financial position and results of operations. Further, failing to comply with the financial and other restrictive covenants in the Credit Agreement, the indentures governing our outstanding existing notes (including the Kodiak notes) and the indenture that will govern the senior notes offered in the Concurrent Senior Note Offering, could result in an event of default, which could adversely affect our business, financial condition and results of operations.

Federal, state and local legislative and regulatory initiatives relating to hydraulic fracturing could result in increased costs and additional operating restrictions or delays.

Hydraulic fracturing is an important and common practice that is used to stimulate production of hydrocarbons from tight rock formations. The process involves the injection of water, sand and chemicals under pressure into formations to fracture the surrounding rock and stimulate production. Hydraulic fracturing has been utilized to complete wells in our most active areas located in the states of Colorado, Michigan, Montana, North Dakota, Texas and Wyoming, and we expect it will also be used in the future. Should our exploration and production activities expand to other states, it is likely that we will utilize hydraulic fracturing to complete or recomplete wells in those areas. The process is typically regulated by state oil and gas commissions. However, the U.S.

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Environmental Protection Agency (the EPA) recently issued guidance, which was published in the Federal Register on February 12, 2014, for permitting authorities and the industry regarding the process for obtaining a permit for hydraulic fracturing involving diesel.

At the same time, the EPA has commenced a study of the potential environmental impacts of hydraulic fracturing activities on drinking water resources. In addition, the EPA is currently studying wastewater and stormwater discharges from hydraulic fracturing facilities. A proposed rule to amend the Effluent Limitations Guidelines and Standards for the oil and gas extraction category which would address discharges of wastewater pollutants from onshore unconventional oil and gas extraction facilities to publicly-owned treatment works is expected in early 2015. The EPA announced in 2015 that it would directly regulate methane emissions from oil and natural gas wells for the first time as part of President Obama s Climate Action Plan. As part of this strategy, the EPA will propose in the summer of 2015 a rule to set methane and volatile organic compound emissions standards for new and modified oil and natural gas wells. The final rule is expected in 2016. Other federal agencies are also examining hydraulic fracturing, including the U.S. Department of Energy, the U.S. Government Accountability Office and the White House Council for Environmental Quality. The U.S. Department of the Interior on March 20, 2015 issued new regulations governing hydraulic fracturing on federal and Native American oil and natural gas leases, which will take effect 90 days from the date of publication in the Federal Register. These rules include new standards regarding public disclosure of chemicals used in hydraulic fracturing, advance notice of and information regarding well-stimulation activities, mechanical integrity testing of casing, monitoring of well-stimulation operations, storage of recovered waste fluids, and the submission of additional geological data to the Federal Bureau of Land Management for management of unique site characteristics. In addition, legislation has been introduced in Congress from time to time to provide for federal regulation of hydraulic fracturing and to require disclosure of the chemicals used in the fracturing process. Also, some states have adopted, and other states are considering adopting, regulations that could ban, restrict or impose additional requirements on activities relating to hydraulic fracturing in certain circumstances. For example, on June 17, 2011, Texas enacted a law that requires the disclosure of information regarding the substances used in the hydraulic fracturing process to the Railroad Commission of Texas (the entity that regulates oil and natural gas production in Texas) and the public. Such federal or state legislation could require the disclosure of chemical constituents used in the fracturing process to state or federal regulatory authorities who could then make such information publicly available. Disclosure of chemicals used in the fracturing process could make it easier for third parties opposing hydraulic fracturing to pursue legal proceedings against producers and service providers based on allegations that specific chemicals used in the fracturing process could adversely affect human health or the environment, including groundwater. In addition, if hydraulic fracturing is regulated at the federal level, our fracturing activities could become subject to additional permit requirements or operational restrictions and also to associated permitting delays, litigation risk and potential increases in costs. Further, local governments may seek to adopt, and some have adopted, ordinances within their jurisdictions restricting the use of or regulating the time, place and manner of drilling or hydraulic fracturing. No assurance can be given as to whether or not similar measures might be considered or implemented in the jurisdictions in which our properties are located. If new laws, regulations or ordinances that significantly restrict or otherwise impact hydraulic fracturing are passed by Congress or adopted in the states or local municipalities where our properties are located, such legal requirements could prohibit or make it more difficult or costly for us to perform hydraulic fracturing activities and thereby could affect the determination of whether a well is commercially viable. In addition, restrictions on hydraulic fracturing could reduce the amount of oil and natural gas that we are ultimately able to produce in commercially paying quantities and the calculation of our reserves.

In addition, on July 3, 2014, major university and U.S. Geological Survey researchers published a study purporting to find a causal connection between the deep well injection of hydraulic fracturing wastewater and a sharp increase in seismic activity in Oklahoma since 2008. Such studies may trigger new legislation or regulations that would limit or ban the disposal of hydraulic fracturing wastewater in deep injection wells. If such new laws or rules are adopted, our operations may be curtailed while alternative treatment and disposal methods are developed and approved.

Further, on May 19, 2014, the EPA published an Advance Notice of Proposed Rulemaking (ANPR) under the Toxic Substances Control Act, relating to the disclosure of chemical substances and mixtures used in oil and gas exploration and production. Depending on the precise disclosure requirements the EPA elects to impose, if any, we may be obliged to disclose valuable proprietary information, and failure to do so may subject us to penalties. See Hydraulic Fracturing in Item 2 of our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement, for more information on hydraulic fracturing.

If oil, NGL and natural gas prices decrease, we may be required to take write-downs of the carrying values of our oil and gas properties.

Accounting rules require that we periodically review the carrying value of our producing oil and gas properties for possible impairment. Based on specific market factors and circumstances at the time of prospective impairment reviews (which may include depressed oil, NGL and natural gas prices and the continuing evaluation of development plans, production data, economics and other factors) we may be required to write down the carrying value of our oil and gas properties. For example, we recorded a $587 million impairment write-down during 2014 for the partial impairment of non-core oil and gas producing properties, which are not currently being developed, in Colorado, Louisiana, North Dakota and Utah related to the decrease in oil and gas prices at December 31, 2014. A write-down constitutes a non-cash charge to earnings. Oil and gas prices have continued to decline since December 31, 2014 which may cause us to incur additional impairments that could have a material adverse effect on our results of operations in the period recognized.

Our use of enhanced recovery methods creates uncertainties that could adversely affect our results of operations and financial condition.

One of our business strategies is to commercially develop oil reservoirs using enhanced recovery technologies. For example, we inject water and CO_2 into formations on some of our properties to increase the production of oil and natural gas. The additional production and reserves attributable to the use of these enhanced recovery methods are inherently difficult to predict. If our enhanced recovery programs do not allow for the extraction of oil and gas in the manner or to the extent that we anticipate, our future results of operations and financial condition could be materially adversely affected. Additionally, our ability to utilize CO_2 injection as an enhanced recovery technique is subject to our ability to obtain sufficient quantities of CO_2. Under our CO_2 contracts, if the supplier suffers an inability to deliver its contractually required quantities of CO_2 to us and other parties with whom it has CO_2 contracts, then the supplier may reduce the amount of CO_2 on a pro rata basis it provides to us and such other parties. If this occurs or if we are otherwise limited in the quantities of CO_2 available to us, we may not have sufficient CO_2 to produce oil and natural gas in the manner or to the extent that we anticipate, and our future oil and gas production volumes could be negatively impacted. These contracts are also structured as take-or-pay arrangements, which require us to continue to make payments even if we decide to terminate or reduce our use of CO_2 as part of our enhanced recovery techniques.

The development of the proved undeveloped reserves in the North Ward Estes field may take longer and may require higher levels of capital expenditures than we currently anticipate.

As of December 31, 2014, proved undeveloped reserves comprised 40% of the North Ward Estes field s total estimated proved reserves. To fully develop these reserves, we expect to incur future development costs of $762 million at the North Ward Estes field as of December 31, 2014. This field encompasses 11% of our total estimated future development costs related to proved undeveloped reserves. Development of these reserves may take longer and require higher levels of capital expenditures than we currently anticipate. In addition, the

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development of these reserves will require the use of enhanced recovery techniques, including water flood and CO_2 injection installations, the success of which is less predictable than traditional development techniques.

Prospects that we decide to drill may not yield oil or gas in commercially viable quantities.

We describe some of our current prospects and our plans to explore those prospects in our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement. A prospect is a property on which we have identified what our geoscientists believe, based on available seismic and geological information, to be indications of oil or gas. Our prospects are in various stages of evaluation, ranging from a prospect that is ready to drill to a prospect that will require substantial additional seismic data processing and interpretation. There is no way to predict in advance of drilling and testing whether any particular prospect will yield oil or gas in sufficient quantities to recover drilling or completion costs or to be economically viable. The use of seismic data and other technologies and the study of producing fields in the same area will not enable us to know conclusively prior to drilling whether oil or gas will be present or, if present, whether oil or gas will be present in commercially viable quantities. In addition, because of the wide variance that results from different equipment used to test the wells, initial flow rates may not be indicative of sufficient oil or gas quantities in a particular field. The analogies we draw from available data from other wells, from more fully explored prospects, or from producing fields may not be applicable to our drilling prospects. We may terminate our drilling program for a prospect if results do not merit further investment.

Reserve estimates depend on many assumptions that may turn out to be inaccurate. Any material inaccuracies in these reserve estimates or underlying assumptions will materially affect the quantities and present value of our reserves.

The process of estimating oil and natural gas reserves is complex. It requires interpretations of available technical data and many assumptions, including assumptions relating to economic factors. Any significant inaccuracies in these interpretations or assumptions could materially affect the estimated quantities and present value of reserves referred to in this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement.

In order to prepare our estimates, we must project production rates and timing of development expenditures. We must also analyze available geological, geophysical, production and engineering data. The extent, quality and reliability of this data can vary. The process also requires economic assumptions about matters such as the following:

- historical production from the area compared with production rates from other producing areas;
- the assumed effect of governmental regulation; and
- assumptions about future prices of oil, NGLs and natural gas including differentials, production and development costs, gathering and transportation costs, severance and excise taxes, capital expenditures and availability of funds.

Therefore, estimates of oil and natural gas reserves are inherently imprecise. Actual future production; oil, NGL and natural gas prices; revenues; taxes; exploration and development expenditures; operating expenses; and quantities of recoverable oil and natural gas reserves will most likely vary from our estimates. Any significant variance could materially affect the estimated quantities and present value of reserves referred to in this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement. In addition, we may adjust estimates of proved reserves to reflect production history, results of exploration and development, prevailing oil and natural gas prices and other factors, many of which are beyond our control.

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You should not assume that the present value of future net revenues from our proved reserves, as referred to in this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement, is the current market value of our estimated proved oil and natural gas reserves. In accordance with SEC requirements, we base the estimated discounted future net cash flows from our proved reserves on 12-month average prices and current costs as of the date of the estimate. The 12-month average prices used for the year ended December 31, 2014 were $94.99 per Bbl and $4.35 per Mcf, whereas the quoted NYMEX prices for oil and gas on March 16, 2015 were $43.88 per Bbl and $2.72 per Mcf. Actual future prices and costs may differ materially from those used in the estimate. If natural gas prices decline by $0.10 per Mcf, then the standardized measure of discounted future net cash flows of our estimated proved reserves as of December 31, 2014 would have decreased by $21 million. If oil prices decline by $1.00 per Bbl, then the standardized measure of discounted future net cash flows of our estimated proved reserves as of December 31, 2014 would have decreased by $179 million.

Risks associated with the production, gathering, transportation and sale of oil, NGLs and natural gas could adversely affect net income and cash flows.

Our net income and cash flows will depend upon, among other things, oil, NGL and natural gas production and the prices and costs incurred to develop and produce oil and natural gas reserves. Drilling, production or transportation accidents that temporarily or permanently halt the production and sale of oil, NGLs and natural gas will decrease revenues and increase expenditures. For example, accidents may occur that result in personal injuries, property damage, damage to productive formations or equipment and environmental damages. Any costs incurred in connection with any such accidents that are not insured against will have the effect of reducing net income. Also, we do not have insurance policies in effect that are intended to provide coverage for losses solely related to hydraulic fracturing operations. Please read Federal, state and local legislative and regulatory initiatives relating to hydraulic fracturing could result in increased costs and additional operating restrictions or delays above in these Risk factors for a discussion of the uncertainty involved in the regulation of hydraulic fracturing. Also, our oil, NGL and natural gas production depends in large part on the proximity and capacity of pipeline systems and transportation facilities which are mostly owned by third parties. The lack of availability or the lack of capacity on these systems and facilities could result in the curtailment of production or the delay or discontinuance of drilling plans. Similarly, curtailments or damage to pipelines and other transportation facilities used to transport oil, NGLs and natural gas production to markets for sale could decrease revenues or increase transportation expenses. Any such curtailments or damage to the gathering systems could also require finding alternative means to transport the oil, NGLs and natural gas production, which alternative means could result in additional costs that will have the effect of increasing transportation expenses.

Also, there have been recent accidents involving rail cars carrying Bakken formation crude oil, which resulted in the U.S. Department of Transportation (the DOT) issuing an emergency order on February 25, 2014 that requires rail shippers to test the makeup of such crude oil before transporting it. This move follows the safety alert the DOT issued in January 2014 that Bakken formation crude oil is more flammable than other types of crude oil and has been followed by additional emergency orders and safety advisories and alerts. An accident involving rail cars could result in significant personal injuries and property and environmental damage. Additionally, added regulations currently being considered in response to such accidents could result in additional costs that could increase transportation expenses.

In addition, drilling, production and transportation of hydrocarbons bear the inherent risk of loss of containment. Potential consequences include loss of reserves, loss of production, loss of economic value associated with the affected wellbore, contamination of soil, ground water and surface water, as well as potential fines, penalties or damages associated with any of the foregoing consequences.

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The instruments governing our indebtedness contain various covenants limiting the discretion of our management in operating our business.

The indentures governing the existing notes and the Kodiak notes and the Credit Agreement contain, and the indenture that will govern the senior notes offered in the Concurrent Senior Note Offering will contain, various restrictive covenants that may limit our management s discretion in certain respects. In particular, these agreements will limit our and our subsidiaries ability to, among other things:

- pay dividends on, redeem or repurchase our capital stock or redeem or repurchase our senior or subordinated debt;
- make loans to others;
- make investments;
- incur additional indebtedness or issue preferred stock;
- create certain liens;
- sell assets;
- enter into agreements that restrict dividends or other payments from our restricted subsidiaries to us;
- consolidate, merge or transfer all or substantially all of our assets and those of our restricted subsidiaries taken as a whole;
- engage in transactions with affiliates;
- enter into hedging contracts;
- create unrestricted subsidiaries; and
- enter into sale and leaseback transactions.

In addition, the Credit Agreement requires us, as of the last day of any quarter, (i) to not exceed a total debt to the last four quarters EBITDAX ratio (as defined in the Credit Agreement) of 4.0 to 1.0 and (ii) to have a consolidated current assets to consolidated current liabilities ratio (as defined in the Credit Agreement and which includes an add back of the available borrowing capacity under the Credit Agreement) of not less than 1.0 to 1.0. Also, the indentures under which we issued the existing senior notes and the existing senior subordinated notes restrict, and the indenture that will govern the senior notes offered in the Concurrent Senior Note Offering will restrict, us from incurring additional indebtedness and making certain restricted payments, subject to certain exceptions, unless our fixed charge coverage ratio (as defined in the indentures) is at least 2.0 to 1. The indentures pursuant to which the Kodiak notes were issued restrict us from incurring additional indebtedness and making certain restricted payments, subject to certain exceptions, unless our fixed charge coverage ratio (as defined in the indentures) is at least 2.25 to 1. If we were in violation of these covenants, then we may not be able to incur additional indebtedness, including under the Credit Agreement. A substantial or extended decline in oil or natural gas prices may adversely affect our ability to comply with these covenants.

If we fail to comply with the restrictions in the indentures governing the existing notes and the Kodiak notes or the Credit Agreement, the restrictions that will be in the indentures that will govern the convertible notes and senior notes offered in the Concurrent Offerings, or the restrictions in any other subsequent financing agreements, a default may allow the creditors, if the agreements so provide, to accelerate the related indebtedness as well as any other indebtedness to which a cross-acceleration or cross-default provision applies.

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In addition, lenders may be able to terminate any commitments they had made to make further funds available to us. Furthermore, if we were unable to repay the amounts due and payable under the Credit Agreement, those lenders could proceed against the collateral granted to them to secure that indebtedness. In the event that our lenders or noteholders accelerate the repayment of our borrowings, we and our subsidiaries may not have sufficient assets or be able to borrow sufficient funds to repay or refinance that indebtedness.

Our exploration and development operations require substantial capital, and we may be unable to obtain needed capital or financing on satisfactory terms, which could lead to a loss of properties and a decline in our oil and natural gas reserves.

The oil and gas industry is capital intensive. We make and expect to continue to make substantial capital expenditures in our business and operations for the exploration, development, production and acquisition of oil and natural gas reserves. To date, we have financed capital expenditures through a combination of equity and debt issuances, bank borrowings, internally generated cash flows, agreements with industry partners and oil and gas property divestments. We intend to finance future capital expenditures with cash flow from operations, cash on hand, financing arrangements and with proceeds from this offering and the Concurrent Offerings. Our cash flow from operations and access to capital is subject to a number of variables, including:

- our proved reserves;
- the level of oil and natural gas we are able to produce from existing wells;
- the prices at which oil and natural gas are sold;
- the costs of producing oil and natural gas; and
- our ability to acquire, locate and produce new reserves.

If our revenues or the borrowing base under the Credit Agreement decrease as a result of lower oil and natural gas prices, operating difficulties, declines in reserves, or for any other reason, then we may have limited ability to obtain the capital necessary to sustain our operations at current levels.

We may, from time to time, need to seek additional financing. There can be no assurance as to the availability or terms of any additional financing. If additional capital is needed, we may not be able to obtain debt or equity financing on terms favorable to us, or at all. If cash generated by operations or available under the Credit Agreement is not sufficient to meet our capital requirements, the failure to obtain additional financing could result in a curtailment of our operations relating to the exploration and development of our prospects, which in turn could lead to a possible loss of properties and a decline in our oil and natural gas reserves.

Our acreage must be drilled before lease expiration, generally within three to five years, in order to hold the acreage by production. Failure to drill sufficient wells in order to hold acreage will result in substantial lease renewal costs, or if renewal is not feasible, loss of our lease and prospective drilling opportunities.

Unless production is established on our undeveloped acreage, the underlying leases will expire. As of December 31, 2014, the portion of our net undeveloped acreage that is subject to expiration over the next three years, if not successfully developed or renewed, is approximately 26% in 2015, 29% in 2016 and 13% in 2017. The cost to renew such leases may increase significantly, and we may not be able to renew such leases on commercially reasonable terms or at all. In addition, on certain portions of our acreage, third-party leases become immediately effective if our leases expire. As such, our actual drilling activities may materially differ from our current expectations, which could adversely affect our business.

Our acquisition activities may not be successful.

As part of our growth strategy, we have made and may continue to make acquisitions of businesses and properties. However, suitable acquisition candidates may not continue to be available on terms and conditions we find acceptable, and acquisitions pose substantial risks to our business, financial condition and results of operations. In pursuing acquisitions, we compete with other companies, many of which have greater financial and other resources to acquire attractive companies and properties. The following are some of the risks associated with acquisitions, including any completed or future acquisitions:

- some of the acquired businesses or properties may not produce revenues, reserves, earnings or cash flow at anticipated levels;
- we may assume liabilities that were not disclosed to us or that exceed our estimates;
- we may be unable to integrate acquired businesses successfully and realize anticipated economic, operational and other benefits in a timely manner, which could result in substantial costs and delays or other operational, technical or financial problems;
- acquisitions could disrupt our ongoing business, distract management, divert resources and make it difficult to maintain our current business standards, controls and procedures;
- we may issue additional equity or debt securities in order to fund future acquisitions; and
- we may incur losses as a result of title defects.

Substantial acquisitions or other transactions could require significant external capital and could change our risk and property profile.

In order to finance acquisitions of additional producing or undeveloped properties, we may need to alter or increase our capitalization substantially through the issuance of debt or equity securities, the sale of production payments or other means. These changes in capitalization may significantly affect our risk profile. Additionally, significant acquisitions or other transactions can change the character of our operations and business. The character of the new properties may be substantially different in operating or geological characteristics or geographic location than our existing properties. Furthermore, we may not be able to obtain external funding for additional future acquisitions or other transactions or to obtain external funding on terms acceptable to us.

The unavailability or high cost of additional drilling rigs, equipment, supplies, personnel and oil field services could adversely affect our ability to execute our exploration and development plans on a timely basis or within our budget.

The demand for qualified and experienced field personnel to conduct field operations, geologists, geophysicists, engineers and other professionals in the oil and natural gas industry can fluctuate significantly, often in correlation with oil and natural gas prices, causing periodic shortages. Historically, there have been shortages of drilling rigs and other oilfield equipment as demand for rigs and equipment has increased along with the number of wells being drilled. These factors also cause significant increases in costs for equipment, services and personnel. Higher oil and natural gas prices generally stimulate demand and result in increased prices for drilling rigs, crews and associated supplies, equipment and services. Additionally, our operations in some instances require supply materials for production, such as CO_2, which could become subject to shortage and increasing costs. Shortages of field personnel, drilling rigs, equipment, supplies or personnel or price increases could delay or adversely affect our exploration and development operations, which could have a material adverse effect on our business, financial condition, results of operations or cash flows, or restrict operations.

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Our identified drilling locations are scheduled out over several years, making them susceptible to uncertainties that could materially alter the occurrence or timing of their drilling.

We have specifically identified and scheduled drilling locations as an estimation of our future multi-year drilling activities on our existing acreage. As of December 31, 2014, we had identified a drilling inventory of over 5,600 gross drilling locations. These scheduled drilling locations represent a significant part of our growth strategy. Our ability to drill and develop these locations depends on a number of uncertainties, including oil and natural gas prices, the availability of capital, costs of oil field goods and services, drilling results, our ability to extend drilling acreage leases beyond expiration, regulatory approvals and other factors. Because of these uncertainties, we do not know if the numerous potential drilling locations we have identified will ever be drilled or if we will be able to produce oil or gas from these or any other potential drilling locations. As such, our actual drilling activities may materially differ from those presently identified, which could in turn adversely affect our business.

We have been an early entrant into new or emerging plays. As a result, our drilling results in these areas are uncertain, the value of our undeveloped acreage may decline and we may incur impairment charges if drilling results are unsuccessful.

While our costs to acquire undeveloped acreage in new or emerging plays have generally been less than those of later entrants into a developing play, our drilling results in these areas are more uncertain than drilling results in areas that are developed and producing. Since new or emerging plays have limited or no production history, we are unable to use past drilling results in those areas to help predict our future drilling results. Therefore, our cost of drilling, completing and operating wells in these areas may be higher than initially expected, and the value of our undeveloped acreage will decline if drilling results are unsuccessful. Furthermore, if drilling results are unsuccessful, we may be required to write down the carrying value of our undeveloped acreage in new or emerging plays. For example, during the fourth quarter of 2014, we recorded a $45 million non-cash charge for the impairment of unproved oil and gas properties in Louisiana, Michigan, Montana, North Dakota and Texas, as well as a $21 million non-cash charge for the impairment of unproved CO_2 properties in New Mexico. We may also incur such impairment charges in the future, which could have a material adverse effect on our results of operations in the period taken. Additionally, our rights to develop a portion of our undeveloped acreage may expire if not successfully developed or renewed. See Acreage in Item 2 of our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement, for more information relating to the expiration of our rights to develop undeveloped acreage.

Properties that we acquire may not produce as projected, and we may be unable to identify liabilities associated with the properties or obtain indemnities from sellers for liabilities they may have created.

Our business strategy includes a continuing acquisition program. From 2004 through 2014, we completed 21 separate significant acquisitions of producing properties with a combined purchase price of $6.4 billion for estimated proved reserves as of the effective dates of the acquisitions of 445.2 MMBOE. The successful acquisition of producing properties requires assessment of many factors, which are inherently inexact and may be inaccurate, including the following:

- the amount of recoverable reserves;
- future oil and natural gas prices;
- estimates of operating costs;
- estimates of future development costs;
- timing of future development costs;

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estimates of the costs and timing of plugging and abandonment; and

the assumption of unknown potential environmental and other liabilities, losses or costs, including for example, historical spills or releases for which we are not indemnified or for which our indemnity is inadequate.

Our assessment will not reveal all existing or potential problems, nor will it permit us to become familiar enough with the properties to assess fully their capabilities and deficiencies. In the course of our due diligence, we may not inspect every well, platform, facility or pipeline. Inspections may not reveal structural and environmental problems, such as pipeline corrosion or groundwater contamination, when they are made. We may not be able to obtain contractual indemnities from the seller for liabilities that it created. We may be required to assume the risk of the physical condition of the properties in addition to the risk that the properties may not perform in accordance with our expectations.

We may not be able to replace the reserves on properties we divest, and the agreements pursuant to which assets we divest may contain continuing indemnification obligations.

Part of our business strategy includes selling properties when we believe that the sales price realized will provide an above average rate of return for the property or when the property no longer matches the profile of properties we desire to own. Unless we conduct successful exploration, development and production activities or acquire properties containing proved reserves, divestitures of our properties will reduce our proved reserves and potentially our production. We may not be able to develop, find or acquire additional reserves sufficient to replace such reserves and production from any of the properties we sell. Additionally, agreements pursuant to which we sell properties may include terms that survive closing of the sale, including indemnification provisions, which could obligate us to substantial liabilities.

Our use of oil and natural gas price hedging contracts involves credit risk and may limit higher revenues in the future in connection with commodity price increases and may result in significant fluctuations in our net income.

We enter into hedging transactions of our oil and natural gas production revenues to reduce our exposure to fluctuations in the price of oil and natural gas. Our hedging transactions to date have consisted of financially settled crude oil and natural gas options contracts, primarily costless collars and swap contracts, placed with major financial institutions. As of March 9, 2015, we had contracts covering the sale of between 444,700 and 1,068,360 barrels of oil per month for all of 2015. All of our oil hedges will expire by December 2017. See Quantitative and Qualitative Disclosures about Market Risk in Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement, for pricing information and a more detailed discussion of our hedging transactions.

We may in the future enter into these and other types of hedging arrangements to reduce our exposure to fluctuations in the market prices of oil and natural gas, or alternatively, we may decide to unwind or restructure the hedging arrangements we previously entered into. Hedging transactions expose us to risk of financial loss in some circumstances, including if production is less than expected, the other party to the contract defaults on its obligations or there is a change in the expected differential between the underlying price in the hedging agreement and actual prices received. Hedging transactions may limit the benefit we may otherwise receive from increases in the price for oil and natural gas. Our three-way collars only provide partial protection against declines in market prices due to the fact that when the market price falls below the sub-floor, the minimum price we will receive will be NYMEX plus the difference between the floor and the sub-floor. Furthermore, if we do not engage in hedging transactions or unwind hedging transactions we previously entered into, then we may be more adversely affected by declines in oil and natural gas prices than our competitors who engage in hedging transactions. Additionally, hedging transactions may expose us to cash margin requirements.

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We recognize all gains and losses from changes in commodity derivative fair values immediately in earnings rather than deferring any such amounts in accumulated other comprehensive income. Consequently, we may experience significant net losses, on a non-cash basis, due to changes in the value of our hedges as a result of commodity price volatility.

Seasonal weather conditions and lease stipulations adversely affect our ability to conduct drilling activities in some of the areas where we operate.

Oil and gas operations in the Rocky Mountains are adversely affected by seasonal weather conditions and lease stipulations designed to protect various wildlife. In certain areas, drilling and other oil and gas activities can only be conducted during the spring and summer months. This limits our ability to operate in those areas and can intensify competition during those months for drilling rigs, oil field equipment, services, supplies and qualified personnel, which may lead to periodic shortages. Resulting shortages or high costs could delay our operations, cause temporary declines in our oil and gas production and materially increase our operating and capital costs.

An increase in the differential or decrease in the premium between the NYMEX or other benchmark prices of oil and natural gas and the wellhead price we receive could have a material adverse effect on our results of operations, financial condition and cash flows.

The prices that we receive for our oil and natural gas production generally trade at a discount, but sometimes at a premium, to the relevant benchmark prices such as NYMEX. A negative difference between the benchmark price and the price received is called a differential and a positive difference is called a premium. The differential and premium may vary significantly due to market conditions, the quality and location of production and other risk factors. We cannot accurately predict oil and natural gas differentials and premiums. Increases in the differential and decreases in the premium between the benchmark price for oil and natural gas and the wellhead price we receive could have a material adverse effect on our results of operations, financial condition and cash flows.

We may incur substantial losses and be subject to substantial liability claims as a result of our oil and gas operations.

We are not insured against all risks. Losses and liabilities arising from uninsured and underinsured events could materially and adversely affect our business, financial condition or results of operations. Our oil and natural gas exploration and production activities are subject to all of the operating risks associated with drilling for and producing oil and natural gas, including the possibility of:

- environmental hazards, such as uncontrollable flows of oil, gas, brine, well fluids, toxic gas or other pollution into the environment, including groundwater and shoreline contamination;
- abnormally pressured formations;
- mechanical difficulties, such as stuck oil field drilling and service tools and casing collapse;
- the loss of well control;
- fires and explosions;
- personal injuries and death; and
- natural disasters.

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Any of these risks could adversely affect our ability to conduct operations or result in substantial losses to our company. We may elect not to obtain insurance if we believe that the cost of available insurance is excessive relative to the risks presented. In addition, pollution and environmental risks generally are not fully insurable. If a significant accident or other event occurs and is not fully covered by insurance, then it could adversely affect us.

We have limited control over activities on properties we do not operate, which could reduce our production and revenues and increase capital expenditures.

We operate 70% of our net productive oil and natural gas wells, which represents 85% of our proved developed producing reserves as of December 31, 2014. If we do not operate the properties in which we own an interest, we do not have control over normal operating procedures, expenditures or future development of our properties. The failure of an operator of our wells to adequately perform operations or an operator s breach of the applicable agreements could reduce our production and revenues. The success and timing of our drilling and development activities on properties operated by others therefore depends upon a number of factors outside of our control, including the operator s decisions with respect to the timing and amount of capital expenditures, the period of time over which the operator seeks to generate a return on capital expenditures, inclusion of other participants in drilling wells, and the use of technology, as well as the operator s expertise and financial resources and the operator s relative interest in the field. Operators may also opt to decrease operational activities following a significant decline in oil or natural gas prices. Because we do not have a majority interest in most wells we do not operate, we may not be in a position to remove the operator in the event of poor performance. Accordingly, while we use commercially reasonable efforts to cause the operator to act as a reasonably prudent operator, we are limited in our ability to do so.

Our use of 3-D seismic data is subject to interpretation and may not accurately identify the presence of oil and gas, which could adversely affect the results of our drilling operations.

Even when properly used and interpreted, 3-D seismic data and visualization techniques are only tools used to assist geoscientists in identifying subsurface structures and hydrocarbon indicators and do not enable the interpreter to know whether hydrocarbons are, in fact, present in those structures. In addition, the use of 3-D seismic and other advanced technologies requires greater predrilling expenditures than traditional drilling strategies do, and we could incur losses as a result of such expenditures. Thus, some of our drilling activities may not be successful or economical, and our overall drilling success rate or our drilling success rate for activities in a particular area could decline. We often gather 3-D seismic data over large areas. Our interpretation of seismic data delineates for us those portions of an area that we believe are desirable for drilling. Therefore, we may choose not to acquire option or lease rights prior to acquiring seismic data, and in many cases, we may identify hydrocarbon indicators before seeking option or lease rights in the location. If we are not able to lease those locations on acceptable terms, it would result in our having made substantial expenditures to acquire and analyze 3-D seismic data without having an opportunity to attempt to benefit from those expenditures.

Market conditions or operational impediments may hinder our access to oil and gas markets or delay our production.

In connection with our continued development of oil and gas properties, we may be disproportionately exposed to the impact of delays or interruptions of production from wells in these properties, caused by transportation capacity constraints, curtailment of production or the interruption of transporting oil and gas volumes produced. In addition, market conditions or a lack of satisfactory oil and gas transportation arrangements may hinder our access to oil and gas markets or delay our production. The availability of a ready market for our oil, NGL and natural gas production depends on a number of factors, including the demand for and supply of oil, NGLs and natural gas and the proximity of reserves to pipelines and terminal facilities. Our ability to market our production depends substantially on the availability and capacity of gathering systems, pipelines and processing facilities owned and operated by third-parties. Additionally, entering into arrangements for these services exposes us to the risk that third parties will default on their obligations under such arrangements. Our failure to obtain such services on acceptable terms or the default by a third party on their obligation to provide such services could materially harm our business. We may be required to shut in wells for a lack of a market or because access to gas pipelines, gathering systems or processing facilities may be limited or unavailable. If that were to occur, then we would be unable to realize revenue from those wells until production arrangements were made to deliver the production to market.

We are subject to complex laws that can affect the cost, manner or feasibility of doing business.

Exploration, development, production and sale of oil and natural gas are subject to extensive federal, state, local and international regulation. We may be required to make large expenditures to comply with governmental regulations. Matters subject to regulation include:

- discharge permits for drilling operations;
- drilling bonds;
- reports concerning operations;
- the spacing of wells;
- unitization and pooling of properties; and
- taxation.

Under these laws, we could be liable for personal injuries, property damage and other damages. Failure to comply with these laws also may result in the suspension or termination of our operations and subject us to administrative, civil and criminal penalties. Moreover, these laws could change in ways that could substantially increase our costs. Any such liabilities, penalties, suspensions, terminations or regulatory changes could materially and adversely affect our financial condition and results of operations.

Our operations may incur substantial costs and liabilities to comply with environmental laws and regulations.

Our oil and gas operations are subject to stringent federal, state and local laws and regulations relating to the release or disposal of materials into the environment or otherwise relating to environmental protection. These laws and regulations may require the acquisition of a permit before drilling commences; restrict the types, quantities and concentration of materials that can be released into the environment in connection with drilling and production activities; limit or prohibit drilling activities on certain lands lying within wilderness, wetlands and other protected areas; and impose substantial liabilities for pollution resulting from our operations. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, incurrence of investigatory or remedial obligations, or the imposition of injunctive relief. Under these environmental laws and regulations, we could be held strictly liable for the removal or remediation of previously released materials or property contamination regardless of whether we were responsible for the release or if our operations were standard in the industry at the time they were performed. Private parties, including the surface owners of properties upon which we drill, may also have the right to pursue legal actions to enforce compliance as well as to seek damages for non-compliance with environmental laws and regulations or for personal injury or property damage. We may not be able to recover some or any of these costs from insurance. Moreover, federal law and some state laws allow the government to place a lien on real property for costs incurred by the government to address contamination on the property.

Changes in environmental laws and regulations occur frequently and may have a materially adverse impact on our business. For example, in 2012, the EPA published final rules under the Federal Clean Air Act that subject oil and natural gas production, processing, transmission and storage operations to regulation under the New

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Source Performance Standards and National Emission Standards for Hazardous Air Pollutants. With regards to production activities, these rules require, among other things, the reduction of volatile organic compound emissions from certain fractured and refractured gas wells for which well completion operations are conducted and, in particular, requiring some of these wells to use reduced emission completions, also known as green completions, after January 1, 2015. These regulations also establish specific new requirements regarding emissions from production-related wet seal and reciprocating compressors, pneumatic controllers and storage vessels. Any increased governmental regulation or suspension of oil and natural gas exploration or production activities that arises out of these incidents could result in higher operating costs, which could in turn adversely affect our operating results. Also, for instance, any changes in laws or regulations that result in more stringent or costly material handling, storage, transport, disposal or cleanup requirements could require us to make significant expenditures to maintain compliance and may otherwise have a material adverse effect on our results of operations, competitive position or financial condition as well as those of the oil and gas industry in general.

Climate change legislation or regulations restricting emissions of greenhouse gases could result in increased operating costs and reduced demand for oil and gas that we produce.

On December 15, 2009, the EPA published its findings that emissions of carbon dioxide, methane and other greenhouse gases (GHG) present an endangerment to public health and the environment because emissions of such gases are, according to the EPA, contributing to the warming of the earth s atmosphere and other climate changes. Based on these findings, the EPA has begun adopting and implementing regulations that restrict emissions of GHG under existing provisions of the Federal Clean Air Act (the CAA), including one rule that limits emissions of GHG from motor vehicles beginning with the 2012 model year. The EPA has asserted that these final motor vehicle GHG emission standards trigger the CAA construction and operating permit requirements for stationary sources, commencing when the motor vehicle standards took effect on January 2, 2011. On June 3, 2010, the EPA published its final rule to address the permitting of GHG emissions from stationary sources under the Prevention of Significant Deterioration (the PSD) and Title V permitting programs. This rule tailors these permitting programs to apply to certain stationary sources of GHG emissions in a multi-step process, with the largest sources first subject to permitting. Further, facilities required to obtain PSD permits for their GHG emissions are required to reduce those emissions consistent with guidance for determining best available control technology standards for GHG, which guidance was published by the EPA in November 2010. Also in November 2010, the EPA expanded its existing GHG reporting rule to include onshore oil and natural gas production, processing, transmission, storage and distribution facilities. This rule requires reporting of GHG emissions from such facilities on an annual basis with reporting beginning in 2012 for emissions occurring in 2011.

In June 2014, the Supreme Court upheld most of the EPA s GHG permitting requirements, allowing the agency to regulate the emission of GHG from stationary sources already subject to the PSD and Title V requirements. Certain of our equipment and installations may currently be subject to PSD and Title V requirements and hence, under the Supreme Court s ruling, may also be subject to the installation of controls to capture GHGs. For any equipment or installation so subject, we may have to incur increased compliance costs to capture related GHG emissions.

The EPA took additional action under the CAA in June 2014. In accordance with President Obama s Climate Action Plan, on June 18, 2014, the EPA proposed rules to reduce carbon emissions from electric generating units. The proposal, commonly called the Clean Power Plan, requires states to develop plans to reduce carbon emissions from fossil fuel-fired generating units commencing in 2020, with the reductions to be fully phased in by 2030. Each state is given a different carbon reduction target, but the EPA expects that, in the aggregate, the overall proposal will reduce carbon emissions from electric generating units by 30% from 2005 levels. As proposed, states are given substantial flexibility in meeting their emission reduction targets and can generally choose to lower carbon emissions by replacing higher carbon generation, such as coal or natural gas, with lower carbon generation, such as efficient natural gas units or renewable energy alternatives. It is not possible at this time to predict what requirements might be adopted by the EPA in the final rule expected in 2015, or how any such final rule would impact our business.

In addition, both houses of Congress have actively considered legislation to reduce emissions of GHG, and many states have already taken legal measures to reduce emissions of GHG, primarily through the development of GHG inventories, greenhouse gas permitting and/or regional GHG cap and trade programs. Most of these cap and trade programs work by requiring either major sources of emissions or major producers of fuels to acquire and surrender emission allowances, with the number of allowances available for purchase reduced each year until the overall GHG emission reduction goal is achieved. In the absence of new legislation, the EPA is issuing new regulations that limit emissions of GHG associated with our operations which will require us to incur costs to inventory and reduce emissions of GHG associated with our operations and which could adversely affect demand for the oil, NGLs and natural gas that we produce. Finally, it should be noted that many scientists have concluded that increasing concentrations of GHG in the atmosphere may produce climate changes that have significant physical effects, such as increased frequency and severity of storms, droughts, floods and other climatic events. If any such effects were to occur, they could have an adverse effect on our assets and operations.

Unless we replace our oil and natural gas reserves, our reserves and production will decline, which would adversely affect our cash flows and results of operations.

Unless we conduct successful exploration, development and production activities or acquire properties containing proved reserves, our proved reserves will decline as those reserves are produced. Producing oil and natural gas reservoirs generally are characterized by declining production rates that vary depending upon reservoir characteristics and other factors. Our future oil and natural gas reserves and production, and therefore our cash flow and income, are highly dependent on our success in efficiently developing and producing our current reserves and economically finding or acquiring additional recoverable reserves. We may not be able to develop, find or acquire additional reserves to replace our current and future production.

The loss of senior management or technical personnel could adversely affect us.

To a large extent, we depend on the services of our senior management and technical personnel. The loss of the services of our senior management or technical personnel, including James J. Volker, Chairman, President and Chief Executive Officer; Peter W. Hagist, Senior Vice President, Planning; Rick A. Ross, Senior Vice President, Operations; Michael J. Stevens, Senior Vice President and Chief Financial Officer; Mark R. Williams, Senior Vice President, Exploration and Development; Steven A. Kranker, Vice President, Reservoir Engineering/Acquisitions; or David M. Seery, Vice President, Land, could have a material adverse effect on our operations. We do not maintain, nor do we plan to obtain, any insurance against the loss of any of these individuals.

Competition in the oil and gas industry is intense, which may adversely affect our ability to compete.

We operate in a highly competitive environment for acquiring properties, marketing oil and gas and securing trained personnel. Many of our competitors possess and employ financial, technical and personnel resources substantially greater than ours, which can be particularly important in the areas in which we operate. Those companies may be able to pay more for productive oil and gas properties and exploratory prospects and to evaluate, bid for and purchase a greater number of properties and prospects than our financial or personnel resources allow for. Our ability to acquire additional prospects and to find and develop reserves in the future will depend on our ability to evaluate and select suitable properties and to consummate transactions in a highly competitive environment. Also, there is substantial competition for available capital for investment in the oil and gas industry. We may not be able to compete successfully in the future in acquiring prospective reserves, developing reserves, marketing hydrocarbons, attracting and retaining quality personnel and raising additional capital.

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Certain federal income tax deductions currently available with respect to oil and gas exploration and development may be eliminated or deferred as a result of future legislation.

In February 2015, President Obama s Administration released its proposed federal budget for fiscal year 2016 that would, if enacted into law, make significant changes to United States tax laws, including the elimination of certain key U.S. federal income tax preferences currently available to oil and gas exploration and production companies. Such changes include, but are not limited to:

- the repeal of the percentage depletion allowance for oil and gas properties;
- the elimination of current deductions for intangible drilling and development costs;
- the elimination of the deduction for U.S. oil and gas production activities; and
- an extension of the amortization period for certain geological and geophysical expenditures.

It is unclear, however, whether any such changes will be enacted or how soon such changes could be effective. The passage of any legislation containing these or similar changes in U.S. federal income tax law could eliminate or defer certain tax deductions that are currently available with respect to oil and gas exploration and development, and any such changes could negatively affect our financial condition and results of operations.

In connection with the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act, new regulations forthcoming in this area may result in increased costs and cash collateral requirements for the types of oil and gas derivative instruments we use to manage our risks related to oil and gas commodity price volatility.

On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act was enacted into law. This financial reform legislation includes provisions that require over-the-counter derivative transactions to be executed through an exchange or centrally cleared. In addition, the legislation provides an exemption from mandatory clearing requirements based on regulations to be developed by the Commodity Futures Trading Commission (the CFTC) and the SEC for transactions by non-financial institutions to hedge or mitigate commercial risk. At the same time, the legislation includes provisions under which the CFTC may impose collateral requirements for transactions, including those that are used to hedge commercial risk. However, during drafting of the legislation, members of Congress adopted report language and issued a public letter stating that it was not their intention to impose margin and collateral requirements on counterparties that utilize transactions to hedge commercial risk. Final rules on major provisions in the legislation, like new margin requirements, will be established through rulemakings and will not take effect until 12 months after the date of enactment. Although we cannot predict the ultimate outcome of these rulemakings, new regulations in this area may result in increased costs and cash collateral requirements for the types of oil and gas derivative instruments we use to hedge and to otherwise manage our financial risks related to volatility in oil and gas commodity prices.

We depend on computer and telecommunications systems, and failures in our systems or cyber security attacks could significantly disrupt our business operations.

We have entered into agreements with third parties for hardware, software, telecommunications and other information technology services in connection with our business. In addition, we have developed proprietary software systems, management techniques and other information technologies incorporating software licensed from third parties. It is possible we could incur interruptions from cyber security attacks, computer viruses or malware. We believe that we have positive relations with our related vendors and maintain adequate anti-virus and malware software and controls; however, any interruptions to our arrangements with third parties for our computing and communications infrastructure or any other interruptions to our information systems could lead to data corruption, communication interruption or otherwise significantly disrupt our business operations.

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We may experience difficulties in integrating Kodiak into our businesses, which could cause the combined company to fail to realize many of the anticipated potential benefits of the Kodiak Acquisition.

We acquired Kodiak with the expectation that the acquisition would result in various benefits, including, among other things, operating efficiencies and cost savings. Achieving the anticipated benefits of the Kodiak Acquisition will depend in part upon whether our two companies integrate our businesses in an efficient and effective manner. We may not be able to accomplish this integration process successfully. The difficulties of combining the two companies businesses potentially will include, among other things:

- the necessity of addressing possible differences, incorporating cultures and management philosophies and the integration of certain operations following the transaction will require the dedication of significant management resources, which may temporarily distract management s attention from the day-to-day business of the combined company; and

- any inability of our management to cause best practices to be applied to the combined company s business.

An inability to realize the full extent of the anticipated benefits of the transaction, as well as any delays encountered in the transition process, could have an adverse effect upon the revenues, level of expenses and operating results of the combined company, which may affect the value of our common stock.

Risks related to our common stock

The market price of our common stock could be negatively affected by sales of substantial amounts of additional equity securities by us.

Sales by us of a substantial amount of equity securities following this offering and the Concurrent Offerings, including additional shares of our common stock or equity or equity-linked securities senior to our common stock or convertible into our common stock, or the perception that these sales might occur, as well as the issuance or potential issuance of a substantial number of shares of our common stock upon conversion of the convertible notes being offered in the Concurrent Convertible Note Offering could cause the market price of our common stock to decline. Such a decline could make more costly or otherwise impair our ability to raise capital in this manner. We may issue additional equity securities in the future for a number of reasons, including to raise capital beyond the capital raised in this offering and the Concurrent Offerings in order to finance our operations and business strategy. No prediction can be made as to the effect, if any, that future sales or issuance of shares of our common stock or other equity or equity-linked securities will have on the trading price of our common stock.

The convertible notes may adversely affect the market price of our common stock.

The market price of our common stock is likely to be influenced by the convertible notes. For example, the market price of our common stock could become more volatile and could be depressed by:

- investors anticipation of the potential resale in the market of a substantial number of additional shares of our common stock received upon conversion of the convertible notes;

- possible sales of our common stock by investors who view the convertible notes as a more attractive means of equity participation in us than owning shares of our common stock; and

- hedging or arbitrage trading activity that may develop involving the convertible notes and our common stock.

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We are not currently paying dividends and do not intend to pay dividends for the foreseeable future.

We have not paid any dividends on our common stock since we were incorporated in July 2003, and we do not anticipate paying any such dividends on our common stock in the foreseeable future. We currently intend to retain future earnings, if any, to finance the expansion of our business. Our future dividend policy is within the discretion of our board of directors and will depend upon various factors, including our financial position, cash flows, results of operations, capital requirements, investment opportunities and the terms of our indebtedness. Except for limited exceptions, the Credit Agreement restricts our ability to make any dividends or distributions on our common stock. Additionally, the indentures governing our existing notes and the Kodiak notes contain, and the indenture that will govern the senior notes offered in the Concurrent Senior Note Offering will contain, restrictive covenants that will limit our ability to pay cash dividends on our common stock.

Anti-takeover provisions in our charter documents and Delaware law might discourage or delay acquisition attempts for us that stockholders might consider favorable.

Our restated certificate of incorporation and amended and restated bylaws contain provisions that may make the acquisition of our company more difficult without the approval of our board of directors. Among other things, these provisions:

- authorize the issuance of undesignated preferred stock, the terms of which may be established and the shares of which may be issued without stockholder approval, and which may include super voting, special approval, dividend, or other rights or preferences superior to the rights of the holders of our common stock;

- prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders;

- provide that the board of directors is expressly authorized to make, alter, or repeal our bylaws and that our stockholders may only amend our bylaws with the approval of 70% or more of all of the outstanding shares of our capital stock entitled to vote; and

- establish advance notice requirements for nominations for elections to our board or for proposing matters that can be acted upon by stockholders at stockholder meetings.

In addition, each holder of common stock is entitled to one-half of a preferred share purchase right (a Right). Each Right entitles the registered holder to purchase from us one one-hundredth of a share of Series A Junior Participating Preferred Stock, par value $0.001 per share (Preferred Shares) at a price of $180.00 per one one-hundredth of a Preferred Share, subject to adjustment. If any person becomes a 15% or more stockholder of us, then each Right (subject to certain limitations) will entitle its holder to purchase, at the Right s then current exercise price, a number of shares of our common stock or of the acquirer having a market value at the time of twice the Right s per share exercise price.

These anti-takeover provisions, other provisions under Delaware law and the Rights could discourage, delay or prevent a transaction involving a change in control of our company, including actions that our stockholders may deem advantageous, or negatively affect the trading price of our common stock. They could also discourage proxy contests and make it more difficult for stockholders to elect directors of their choosing and to cause us to take other corporate actions they desire.

The market price of our common stock may decline in the future as a result of the Kodiak Acquisition.

The market price of our common stock may decline in the future as a result of the Kodiak Acquisition for a number of reasons, including the unsuccessful integration of Kodiak (including the reasons set forth in the preceding risk factor) or our failure to achieve the perceived benefits of the Kodiak Acquisition, including financial and operating results, as rapidly as or to the extent anticipated by financial or industry analysts. These factors are, to some extent, beyond our control.

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Use of proceeds

In this prospectus supplement, we present information regarding the net proceeds of this offering and the Concurrent Offerings based on certain assumptions. The net proceeds from this offering has been calculated assuming that we complete the sale of the shares of common stock in this offering at a price of $39.03 per share, which was the last reported sale price of our common stock on The New York Stock Exchange on March 20, 2015. Such presentation does not reflect market conditions on the date of pricing or reflect any discount to market price, and accordingly the actual net proceeds received by Whiting from this offering will be less than the amount presented in this prospectus supplement. In the event that the Concurrent Offerings are not completed, an amount equal to approximately $1.5 billion will remain outstanding under the Credit Agreement based on an outstanding balance of $2.9 billion as of March 16, 2015 following the application of the proceeds from this offering. The amount outstanding under our Credit Agreement after completion of this offering would also increase by the amount by which the net proceeds from this offering are less than $1.4 billion. The actual net proceeds received by us from this offering and the Concurrent Offerings are likely to vary from the amounts presented in this prospectus supplement.

We have assumed that we will receive net proceeds of approximately $1.4 billion from our sale of our common stock in this offering, after deducting underwriter s discounts and commissions. If the underwriter exercises in full its option to purchase additional shares of our common stock, we have assumed that we will receive net proceeds of approximately $1.6 billion, after deducting underwriter s discounts and commissions.

We estimate that the aggregate net proceeds from the Concurrent Offerings will be approximately $1.7 billion (or $1.9 billion if the initial purchasers in the Concurrent Convertible Note Offering exercise in full their option to purchase additional convertible notes), after deducting initial purchasers discounts and commissions and with respect to the Concurrent Senior Note Offering estimated offering expenses payable by us.

We intend to use the net proceeds from this offering and the Concurrent Offerings to repay all or a portion of the amount outstanding under the Credit Agreement and any remainder for our general corporate purposes. We incurred approximately $1.5 billion of borrowings to complete the Kodiak Acquisition (including the repayment of our and Kodiak s previously existing credit agreements), $760 million of borrowings under the Credit Agreement to complete the Kodiak Change of Control Offer, and additional borrowings since December 31, 2014 of $0.7 billion used to finance our capital expenditures and general operations.

Borrowings under the Credit Agreement bear interest at the rate of 2.4% as of March 16, 2015, had a weighted average interest rate of 2.5% for the year ended December 31, 2014 and mature on December 8, 2019. Amounts repaid under the revolving credit facility of the Credit Agreement may be reborrowed, subject to the terms of the Credit Agreement.

An affiliate of the underwriter is a lender under the Credit Agreement, and accordingly, will receive a portion of the proceeds from this offering in the form of the repayment of borrowings under the Credit Agreement. See Underwriting (conflicts of interest).

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Capitalization

The following table sets forth our capitalization as of December 31, 2014:

on an actual basis;

as adjusted to give effect to the completion of the Kodiak Change of Control Offer pursuant to which we purchased and cancelled approximately $2 million in aggregate principal amount of 2019 Kodiak notes, approximately $346 million in aggregate principal amount of 2021 Kodiak notes and approximately $399 million in aggregate principal amount of 2022 Kodiak notes, which purchases were funded with aggregate borrowings of approximately $760 million under the Credit Agreement;

as further adjusted to give effect to this offering and the anticipated application of the assumed net proceeds of this offering (assuming no exercise of the underwriter s option to purchase additional shares) as described in Use of proceeds; and

as further adjusted to give effect to the Concurrent Offerings of $1.0 billion aggregate principal amount of convertible notes (assuming no exercise of the initial purchasers option to purchase additional convertible notes) and $750 million aggregate principal amount of senior notes, and the anticipated application of the estimated net proceeds of the Concurrent Offerings as described in Use of proceeds.

See Use of proceeds for a description of the assumptions made for the purposes of calculating the net proceeds from this offering and the Concurrent Offerings. The actual net proceeds received by us from this offering and the Concurrent Offerings are likely to vary from the amounts presented in this prospectus supplement.

You should read this table in conjunction with our historical financial statements and related notes incorporated by reference in this prospectus supplement and the accompanying prospectus.

	December 31, 2014			
	Actual	As adjusted for the Kodiak change of control offer	As further adjusted for this offering	As further adjusted for the Concurrent Offerings
				(in thousands)
Long-term debt:				
Credit Agreement[1]	$ 1,400,000	$ 2,160,300	$ 807,910	$
6.5% Senior Subordinated Notes due 2018	350,000	350,000	350,000	350,000
5.000% Senior Notes due 2019	1,100,000	1,100,000	1,100,000	1,100,000
8.125% Senior Notes due 2019	800,000	797,550	797,550	797,550
5.750% Senior Notes due 2021	1,200,000	1,200,000	1,200,000	1,200,000
5.500% Senior Notes due 2021	350,000	3,904	3,904	3,904
5.500% Senior Notes due 2022	400,000	610	610	610
% Convertible Senior Notes due 2020[2]				1,000,000
% Senior Notes due 2023				750,000

Total long-term debt	$ 5,600,000	$ 5,612,364	$ 4,259,974	$ 5,202,064
Equity:				
Preferred stock $0.001, par value; 5,000,000 authorized	$	$	$	$
Common stock, $0.001 par value; 300,000,000 shares authorized (168,346,020 actual shares issued as of December 31, 2014 and 203,346,020 as adjusted for shares issued in this offering)(3)	168	168	203	203
Additional paid-in capital(2)	3,385,094	3,385,094	4,751,109	4,751,109
Retained earnings	2,309,712	2,309,712	2,309,712	2,309,712
Total Whiting shareholders equity	5,694,974	5,694,974	7,061,024	7,061,024
Total capitalization	$ 11,294,974	$ 11,307,338	$ 11,320,998	$ 12,263,088

(1) As of March 16, 2015, total borrowings under the Credit Agreement were $2.9 billion, leaving availability of approximately $1.6 billion, consisting of $597 million under the revolving credit facility and $1.0 billion under the delayed draw term loan facility (each subject to the borrowing base which is subject to regular redeterminations on May 1 and November 1 of each year, as well as special redeterminations described in the Credit Agreement). As of December 31, 2014 and March 16, 2015, and after giving effect to the Kodiak Change of Control Offer and the related borrowings under the Credit Agreement, additional borrowings since December 31, 2014 of $0.7 billion used to finance our capital expenditures and general operations, the termination of the delayed draw term loan facility under the Credit Agreement, this offering and the Concurrent Offerings yielding aggregate net proceeds of $2.9 billion or more and the use of proceeds set forth under Use of proceeds, we would have had no amount outstanding under the revolving credit facility, leaving availability of approximately $3.5 billion under the revolving credit facility (subject to the borrowing base which is subject to regular redeterminations on May 1 and November 1 of each year, as well as special redeterminations described in the Credit Agreement). Borrowings under the revolving credit facility in 2015 were incurred to fund our capital expenditure program and general operations and to complete the Kodiak Change of Control Offer.

(2) In accordance with Accounting Standards Codification 470-20 (ASC 470-20), a convertible debt instrument that may be settled entirely or partially in cash is required to be separated into a liability and equity component, such that interest expense reflects the issuer s nonconvertible debt interest rate. Upon issuance, a debt discount will be recognized as a decrease in debt and an increase in additional paid-in capital. The debt component will accrete up to the principal amount over the expected term of the debt. ASC 470-20 does not affect the actual amount that we are required to repay, and the amount shown in the table above for the convertible notes is the aggregate principal amount of the convertible notes and does not reflect the debt discount that we will be required to recognize or the related increase to additional paid-in capital.

(3) The number of shares issued does not include (a) shares of our common stock issuable upon the conversion of the convertible notes offered in the Concurrent Convertible Note Offering, (b) 4,037,899 shares of our common stock reserved for issuance in connection with our equity incentive plans as of March 16, 2015 or (c) 677,180 shares of our common stock underlying stock options. As of March 16, 2015, 169,487,592 shares of our common stock were issued and outstanding.

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Price range of common stock and dividends

Our common stock is traded on The New York Stock Exchange under the symbol WLL. The following table shows the high and low sale prices for our common stock for the periods presented.

	High	Low
2015		
First quarter (through March 20, 2015)	$ 41.57	$ 26.14
2014		
Fourth quarter (ended December 31, 2014)	$ 78.99	$ 24.13
Third quarter (ended September 30, 2014)	$ 92.92	$ 76.28
Second quarter (ended June 30, 2014)	$ 82.35	$ 68.46
First quarter (ended March 31, 2014)	$ 72.32	$ 54.93
2013		
Fourth quarter (ended December 31, 2013)	$ 70.57	$ 56.40
Third quarter (ended September 30, 2013)	$ 60.65	$ 46.13
Second quarter (ended June 30, 2013)	$ 50.96	$ 42.44
First quarter (ended March 31, 2013)	$ 52.02	$ 43.60

On March 20, 2015, the last sale price of our common stock as reported on The New York Stock Exchange was $39.03 per share.

As of March 16, 2015, there were 808 holders of record of our common stock.

We have not paid any dividends on our common stock since we were incorporated in July 2003, and we do not anticipate paying any such dividends on our common stock in the foreseeable future. We currently intend to retain future earnings, if any, to finance the expansion of our business. Our future dividend policy is within the discretion of our board of directors and will depend upon various factors, including our financial position, cash flows, results of operations, capital requirements, investment opportunities and the terms of our indebtedness. Except for limited exceptions, the Credit Agreement restricts our ability to make any dividends or distributions on our common stock. Additionally, the indentures governing our existing notes and the Kodiak notes contain, and the indenture that will govern the senior notes to be issued in the Concurrent Senior Note Offering will contain, restrictive covenants that will limit our ability to pay cash dividends on our common stock.

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Unaudited pro forma combined financial information

The following unaudited pro forma combined financial information is derived from the historical consolidated financial statements of Whiting and Kodiak incorporated by reference in this prospectus supplement and has been adjusted to reflect the acquisition of Kodiak by Whiting. Certain of Kodiak s historical amounts have been reclassified to conform to Whiting s financial statement presentation. The unaudited pro forma combined statement of operations for the year ended December 31, 2014 gives effect to the Kodiak Acquisition as if it had occurred on January 1, 2014. The following unaudited pro forma combined financial information does not give effect to the completion of this offering or the Concurrent Offerings or the application of the net proceeds therefrom.

The unaudited pro forma combined statement of operations reflects pro forma adjustments based on available information and certain assumptions that Whiting believes are reasonable and include the following:

Whiting s acquisition of Kodiak, which has been accounted for using the acquisition method of accounting.

Adjustments to conform Kodiak s historical policy of accounting for its oil and natural gas properties from the full cost method to the successful efforts method of accounting used by Whiting.

Assumed borrowings under Whiting s credit facility used to repay all of the debt outstanding under Kodiak s credit facility.

Assumption of Kodiak s outstanding equity awards, including restricted stock awards, restricted stock units and stock options.

Elimination of severance costs, stock-based compensation expense and bonuses for certain Kodiak executives, as well as other transaction-related expenses.

Estimated tax impacts of the pro forma adjustments.

Assumptions and estimates underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with the unaudited pro forma combined statement of operations. In Whiting s opinion, all adjustments that are necessary to present fairly the pro forma information have been made.

The unaudited pro forma combined financial information does not purport to represent what Whiting s results of operations would have been had the Kodiak Acquisition actually been consummated on the assumed date nor is it indicative of future results of operations. The unaudited pro forma combined financial information does not reflect future events that may occur after the Kodiak Acquisition, including, but not limited to, the anticipated realization of ongoing savings from operating efficiencies. This unaudited pro forma combined statement of operations should be read in conjunction with the historical consolidated financial statements and related notes of Whiting and Kodiak for the periods presented.

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Whiting Petroleum Corporation

Unaudited pro forma combined statement of operations

For the year ended December 31, 2014

(in thousands, except per share data)

	Whiting historical	Kodiak historical(1)			Whiting pro forma combined
	Year ended December 31, 2014	Nine months ended September 30, 2014	October 1, 2014 December 7, 2014	Pro forma adjustments	Year ended December 31, 2014
REVENUES AND OTHER INCOME:					
Oil, NGL and natural gas sales	$ 3,024,617	$ 849,208	$ 159,552	$	$ 4,033,377
Amortization of deferred gain on sale	30,494				30,494
Gain on sale of properties	27,657				27,657
Interest income and other	2,329	101	(21)	47,109 (a)	49,518
Total revenues and other income	3,085,097	849,309	159,531	47,109	4,141,046
COSTS AND EXPENSES:					
Lease operating	496,925	118,240	51,175		666,340
Production taxes	253,008	90,151	16,605		359,764
Depreciation, depletion and amortization	1,089,545	291,558	77,431	(121,077)(b)	1,337,457
Exploration and impairment	854,430			4,667 (c)	859,097
General and administrative	177,211	45,562	63,562	(121,275)(d)	165,060
Interest expense	170,642	77,029	23,883	(21,677)(e)	249,877
Commodity derivative gain, net	(100,579)	(2,009)	(122,601)		(225,189)
Total costs and expenses	2,941,182	620,531	110,055	(259,362)	3,412,406