

Edgar Filing: Oasis Petroleum Inc. - Form 424B2

Oasis Petroleum Inc.
Form 424B2
December 13, 2017

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities Offered | Amount to be Registered(1) | Proposed Maximum Aggregate Offering Price Per Share(1) | Proposed Maximum Aggregate Offering Price(1) | Amount of Registration Fee |
|---|----------------------------|--|--|----------------------------|
| Common Stock, par value \$0.01 per share | 36,800,000 | \$9.55 | \$351,440,000 | \$43,754.28 |

(1) Includes 4,800,000 shares of common stock which may be issued on exercise of a 30-day option granted to the underwriter to cover over-allotments, if any.

This filing fee is calculated and being paid pursuant to Rule 457(r) of the Securities Act of 1933, as amended, and (2) relates to the registration statement on Form S-3 (File No. 333-219302) filed by Oasis Petroleum Inc. on July 14, 2017.

Filed Pursuant to Rule 424(b)(2)
 Registration No. 333-219302

Prospectus Supplement to Prospectus Dated July 14, 2017

32,000,000 Shares

Common Stock

We are offering 32,000,000 shares of our common stock.

Our common stock is listed on the New York Stock Exchange under the symbol "OAS." On December 8, 2017, the last reported trading price of our common stock as reported on the New York Stock Exchange was \$10.06 per share.

Investing in our common stock involves risk. See "Risk Factors" beginning on page S-4 of this prospectus supplement.

| | Price to Public | Underwriting Discounts and Commissions ⁽¹⁾ | Proceeds to Us |
|--------------|-----------------|--|----------------|
| Per Share | \$ 9.55 | \$ 0.0936 | \$ 9.4564 |
| Total | \$ 305,600,000 | \$ 2,995,200 | \$ 302,604,800 |

(1) We have also agreed to reimburse the underwriters for certain of their expenses in connection with this offering. See "Underwriting."

The underwriters also have the option to purchase up to an additional 4,800,000 shares from us at the price set forth above within 30 days from the date of this prospectus supplement.

The shares are expected to be ready for delivery on or about December 13, 2017.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete.

Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

Goldman Sachs & Co. LLC Credit Suisse

The date of this prospectus is December 11, 2017

| | |
|---|--------------|
| Table of Contents | |
| Prospectus Supplement | |
| <u>About this Prospectus Supplement</u> | <u>S-ii</u> |
| <u>Where You Can Find More Information</u> | <u>S-ii</u> |
| <u>Cautionary Statement Regarding Forward-Looking Statements</u> | <u>S-iii</u> |
| <u>Summary</u> | <u>S-1</u> |
| <u>Risk Factors</u> | <u>S-4</u> |
| <u>Use of Proceeds</u> | <u>S-9</u> |
| <u>Capitalization</u> | <u>S-10</u> |
| <u>Price Range of Common Stock</u> | <u>S-11</u> |
| <u>Dividend Policy</u> | <u>S-11</u> |
| <u>Material U.S. Federal Income Tax Considerations for Non-U.S. Holders</u> | <u>S-12</u> |
| <u>Certain ERISA Considerations</u> | <u>S-16</u> |
| <u>Underwriting</u> | <u>S-18</u> |
| <u>Legal Matters</u> | <u>S-24</u> |
| <u>Experts</u> | <u>S-24</u> |
| Prospectus | |
| <u>About this Prospectus</u> | <u>1</u> |
| <u>The Company</u> | <u>1</u> |
| <u>Where You Can Find More Information</u> | <u>2</u> |
| <u>Cautionary Note Regarding Forward-Looking Statements</u> | <u>3</u> |
| <u>Risk Factors</u> | <u>5</u> |
| <u>Ratio of Earnings to Fixed Charges</u> | <u>5</u> |
| <u>Use of Proceeds</u> | <u>5</u> |
| <u>Description of Debt Securities</u> | <u>6</u> |
| <u>Description of Capital Stock</u> | <u>17</u> |
| <u>Description of Warrants</u> | <u>21</u> |
| <u>Plan of Distribution</u> | <u>22</u> |
| <u>Legal Matters</u> | <u>24</u> |
| <u>Experts</u> | <u>24</u> |

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement and the documents incorporated by reference herein, which describes the specific terms of this offering of our common stock. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to our common stock or this offering. If the information relating to the offering varies between the prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus and any related free writing prospectus. We have not, and the underwriters have not, authorized any dealer, salesman or other person to provide you with additional or different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement and the accompanying prospectus are not an offer to sell or the solicitation of an offer to buy any securities other than the securities to which they relate and are not an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in that jurisdiction. You should not assume that the information contained in this prospectus supplement is accurate as of any date other than the date on the front cover of this prospectus supplement, or that the information contained in any document incorporated by reference is accurate as of any date other than the date of the document incorporated by reference, regardless of the time of delivery of this prospectus supplement or any sale of a security.

Unless otherwise indicated or the context otherwise requires, all references in this prospectus supplement to “we,” “us,” “our,” “Oasis Petroleum” and the “Company” refer to Oasis Petroleum Inc. and its subsidiaries and the term “Oasis” refers to Oasis Petroleum Inc.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports and other information with the Securities and Exchange Commission (the “SEC”) (File No. 001- 34776) pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”). You may read and copy any documents that are filed at the SEC’s public reference room at 100 F Street, N.E., Washington, D.C. 20549. You may also obtain copies of these documents at prescribed rates from the public reference section of the SEC at its Washington address. Please call the SEC at 1-800-SEC-0330 for further information.

Our filings are also available to the public through the SEC’s website at www.sec.gov.

The SEC allows us to “incorporate by reference” information that we file with them, which means that we can disclose important information to you by referring you to documents previously filed with the SEC. The information incorporated by reference is an important part of this prospectus supplement, and the information that we later file with the SEC will automatically update and supersede this information. The following documents we filed with the SEC pursuant to the Exchange Act are incorporated herein by reference:

- our Annual Report on Form 10-K for the year ended December 31, 2016;
- the information specifically incorporated by reference into the Annual Report on Form 10-K from our definitive proxy statement on Schedule 14A, filed on March 22, 2017;
- our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2017, June 30, 2017 and September 30, 2017;
- our Current Reports on Form 8-K filed on April 13, 2017, May 9, 2017 (as amended by the Form 8-K/A filed on July 28, 2017), September 29, 2017, and December 11, 2017 (excluding any information furnished pursuant to Item 2.02 or Item 7.01 of any such Current Report on Form 8-K); and
- the description of our common stock contained in our Registration Statement on Form 8-A12B filed on June 14, 2010, including any amendment to that form for the purpose of updating the description of our common stock.

These reports contain important information about us, our financial condition and our results of operations.

All future documents filed pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act (excluding any information furnished pursuant to Item 2.02 or Item 7.01 on any Current Report on Form 8-K) before the termination of the offering of securities under this prospectus supplement shall be deemed to be incorporated in this prospectus supplement by reference and to be a part hereof from the date of filing of such documents. Any statement contained herein, or in a document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified

Edgar Filing: Oasis Petroleum Inc. - Form 424B2

or superseded, to constitute a part of this prospectus supplement.

You may request a copy of these filings at no cost by writing or telephoning us at the following address and telephone number:

Oasis Petroleum Inc.
Attention: Investor Relations
1001 Fannin Street, Suite 1500
Houston, Texas 77002
Phone: (281) 404-9600
Fax: (281) 404-9702

We also maintain a website at <http://www.oasispetroleum.com>. However, the information on our website is not part of this prospectus supplement or the accompanying prospectus.

S-ii

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the “Securities Act”) and Section 21E of the Exchange Act. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control. All statements, other than statements of historical fact included in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein, the words “could,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “may,” “continue,” “predict,” “potential,” “project” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. In particular, the factors discussed below and detailed under Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2016 could affect our actual results and cause our actual results to differ materially from expectations, estimates or assumptions expressed in, forecasted in or implied in such forward-looking statements. Forward-looking statements may include statements about:

- our business strategy;
- estimated future net reserves and present value thereof;
- timing and amount of future production of oil and natural gas;
- drilling and completion of wells;
- estimated inventory of wells remaining to be drilled and completed;
- costs of exploiting and developing our properties and conducting other operations;
- availability of drilling, completion and production equipment and materials;
- availability of qualified personnel;
- owning and operating a midstream company, including ownership interests in a master limited partnership;
- owning and operating a well services company;
- infrastructure for produced and flowback water gathering and disposal;
- gathering, transportation and marketing of oil and natural gas, both in the Williston Basin and other regions in the United States;
- property acquisitions, including the Acquisition (as described below);
- integration and benefits of property acquisitions, including the Acquisition, or the effects of such acquisitions on our cash position and levels of indebtedness;
- our ability to consummate the Acquisition and any anticipated financing transactions in connection therewith;
- the amount, nature and timing of capital expenditures;
- availability and terms of capital;
- our financial strategy, budget, projections, execution of business plan and operating results;
- cash flows and liquidity;
- oil and natural gas realized prices;
- general economic conditions;
- operating environment, including inclement weather conditions;

- effectiveness of risk management activities;
- ompetition in the oil and natural gas industry;
- ounterparty credit risk;
- environmental liabilities;
- overnmental regulation and the taxation of the oil and natural gas industry;
- evelopments in oil-producing and natural gas-producing countries;
- echnology;
- ncertainty regarding future operating results; and
- lans, objectives, expectations and intentions contained in this prospectus that are not historical.

All forward-looking statements speak only as of the date of this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein. We disclaim any obligation to update or revise these statements unless required by securities law, and you should not place undue reliance on these forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein are reasonable, we can give no assurance that these plans, intentions or expectations will be achieved. Some of the key factors that could cause actual results to vary from our expectations include changes in oil and natural gas prices, weather and environmental conditions, the timing of planned capital expenditures, availability of acquisitions, uncertainties in estimating proved reserves and forecasting production results, operational factors affecting the commencement or maintenance of producing wells, the condition of the capital markets generally, as well as our ability to access them, the proximity to and capacity of transportation facilities, and uncertainties regarding environmental regulations or litigation and other legal or regulatory developments affecting our business, as well as those factors discussed below and elsewhere in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein, all of which are difficult to predict. In light of these risks, uncertainties and assumptions, the forward-looking events discussed may not occur. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

SUMMARY

This summary provides a brief overview of information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference. Because it is abbreviated, this summary does not contain all of the information that you should consider before investing in our common stock in this offering. You should read the entire prospectus supplement, the accompanying prospectus, the documents incorporated by reference and the other documents to which we refer for a more complete understanding of our business and this offering. Please read the section entitled “Risk Factors” beginning on page S-4 of this prospectus supplement and beginning on page 5 of the accompanying prospectus, and additional information contained in our Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference in this prospectus supplement, for more information about important factors you should consider before investing in our common stock in this offering.

Overview

We are an independent exploration and production company that has historically focused on the acquisition and development of unconventional oil and natural gas resources in the North Dakota and Montana regions of the Williston Basin. As of December 31, 2016, we have accumulated 517,801 net leasehold acres in the Williston Basin, of which approximately 94% is held by production. We are currently exploiting significant resource potential from the Bakken and Three Forks formations, which are present across a substantial portion of our acreage. We believe the location, size and concentration of our acreage create an opportunity for us to achieve cost, recovery and production efficiencies through the development of our project inventory. Our management team has a proven track record in identifying, acquiring and executing large, repeatable development drilling programs, which we refer to as “resource conversion” opportunities, and has substantial Williston Basin experience. We have built our Williston Basin assets primarily through acquisitions and development activities.

In addition to our exploration and production segment, we have a midstream services business segment and a well services business segment. We operate our midstream services business segment through Oasis Midstream Partners LP (NYSE: OMP) (“OMP”). OMP completed its initial public offering on September 25, 2017 and we own its general partner, incentive distribution rights, 5,125,000 common units and 13,750,000 subordinated units. Our midstream services business segment performs natural gas gathering and processing and crude oil gathering and transportation, produced and flowback water gathering and disposal services, fresh water services, and other midstream services for our oil and natural gas wells operated by our exploration and production segment. Our well services business segment performs services for the oil and natural gas wells operated by our exploration and production segment.

Recent Developments

Acquisition

On December 11, 2017, the Company and Oasis Petroleum Permian LLC (“OP Permian”), a wholly owned subsidiary of the Company, entered into a Purchase and Sale Agreement (the “Purchase Agreement”) with Forge Energy, LLC (“Forge Energy”). Pursuant to the Purchase Agreement, we, through our ownership of OP Permian, will acquire from Forge Energy approximately 20.3 thousand net acres in the Permian Basin (the “Acquisition”) for a purchase price of approximately \$946 million (the “Purchase Price”), consisting of approximately \$483 million in cash and 46 million shares of our common stock, valued at approximately \$463 million as of the close of trading on December 8, 2017. We will pay to Forge Energy a deposit of approximately \$47 million contemporaneously with the execution of the Purchase Agreement. The effective date for the acquisition is December 1, 2017 and the transaction is expected to close in February 2018. The transaction is subject to customary closing conditions. The Purchase Agreement contains customary representations and warranties, covenants, indemnification and termination provisions. The Purchase Agreement contains various purchase price adjustments to be calculated as of the closing date. In addition, we will

enter into a registration rights agreement with Forge Energy at the closing of the

S-1

Acquisition that will grant the equity holders of Forge Energy certain customary registration rights for the stock portion of the Purchase Price. We expect to fund the cash portion of the Purchase Price with the net proceeds from this offering and borrowings under our Second Amended and Restated Credit Agreement, as amended to date (our “revolving credit facility”).

The Acquisition represents our initial entry into the Permian Basin. The assets underlying the Acquisition are primarily located in the Bone Spring and Wolfcamp formations of the Delaware sub-basin, across Ward, Winkler, Loving and Reeves Counties, Texas. The Acquisition assets produced approximately 3,500 barrels of oil equivalent per day in November 2017. The Acquisition consists of 40.5 thousand gross and 20.3 thousand net acres and approximately 507 net core drilling locations. The following table provides detail on key operational highlights for Oasis and the Acquisition:

| Oasis Stand-Alone ⁽¹⁾ | Acquisition | Pro Forma Combined |
|--|-------------|-----------------------|
| Net acreage (thousands) | 20.3 | 538.1 |
| Gross Core Open Inventory Estimate | 601 | 1,371 |
| Net Core Inventory Estimate | 507 | 990 |

(1) Our Williston net acreage is as of December 31, 2016.

The Company’s entry into the Permian Basin will allow the Company to capitalize on increasing asset scale benefits and to opportunistically allocate capital between what the Company believes are two premier oil-producing basins, furthering the Company’s objective of maintaining a capital-disciplined and corporate returns-focused development plan. The Acquisition is complementary to the Company’s core acreage position in the Williston Basin and is located in the deepest and oiliest part of the Delaware Basin.

We cannot assure you that we will complete the Acquisition on the terms contemplated in this prospectus supplement or at all. Thomas B. Nusz, our Chairman and Chief Executive Officer, and Taylor L. Reid, our President and Chief Operating Officer, hold a 0.25% and 0.125% membership interest, respectively, in Forge Energy. Due to this interest, Mr. Nusz and Mr. Reid recused themselves from the vote of our Board of Directors approving the Acquisition. In addition, Douglas E. Swanson, Jr., a former member of our Board of Directors, is a Managing Partner of EnCap Investments L.P., which, through one or more affiliates, owns a substantial interest in Forge Energy. Due to this interest, Mr. Swanson did not participate in any of the discussions of our Board of Directors with respect to the Acquisition, recused himself from the vote of our Board of Directors approving the Acquisition and resigned as a member of our Board of Directors immediately prior to our entering into the Purchase Agreement. The consummation of this offering is not conditioned on the closing of the Acquisition, and the consummation of this offering is not a condition to the completion of the Acquisition. Please read “Risk Factors—Risks Related to the Acquisition” in this prospectus supplement for more information on the Acquisition and the risks related thereto.

Corporate Information

Edgar Filing: Oasis Petroleum Inc. - Form 424B2

Our principal executive offices are located at 1001 Fannin Street, Suite 1500, Houston, Texas 77002, and our telephone number at that address is (281) 404-9500. Our website is located at <http://www.oasispetroleum.com>. However, the information on our website is not part of this prospectus supplement, and you should rely only on the information contained in this prospectus supplement, the accompanying prospectus, any related free writing prospectus and in the documents incorporated herein by reference when making a decision as to whether to buy our common stock in this offering.

S-2

THE OFFERING

| | |
|---|---|
| Issuer | Oasis Petroleum Inc. |
| Shares of common stock offered | 32,000,000 shares. |
| Option to purchase additional shares | The underwriters also have the option to purchase up to an additional 4,800,000 shares from us within 30 days from the date of this prospectus supplement. |
| Shares of common stock outstanding following this offering ¹ | 269,313,170 shares (274,113,170 shares if the underwriters exercise their option to purchase additional shares in full). |
| Use of proceeds | We estimate that, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, we will receive approximately \$302.4 million of net proceeds from this offering, or \$347.7 million if the underwriters exercise in full their option to purchase additional shares. We expect to partially fund the cash portion of the Purchase Price with the net proceeds from this offering and the remainder with borrowings under our revolving credit facility. Please see “—Recent Developments-Acquisition” for a further description of the Acquisition. However, the consummation of this offering is not conditioned upon the completion of the Acquisition, and the consummation of this offering is not a condition to the completion of the Acquisition. There can be no assurance that we will complete the Acquisition on the terms described herein or at all. If the Acquisition is not consummated, we intend to use the net proceeds of this offering for general corporate purposes, which may include funding a portion of our 2018 capital budget. Please read “Use of Proceeds.” |

(1) Based on 237,313,170 shares outstanding as of December 8, 2017.

Unless we indicate otherwise or the context otherwise requires, all of the information in this prospectus supplement: assumes no exercise of the underwriters’ option to purchase additional shares of common stock; includes outstanding shares of unvested restricted common stock; and does not include (i) approximately 5.6 million shares of common stock authorized, but unissued and available for issuance, under our Amended and Restated 2010 Long-Term Incentive Plan, or (ii) the shares issuable if earned under 1,872,710 performance share units (“PSUs”) outstanding as of December 8, 2017, which can range from 0% to 200% of the initial PSUs awarded based on a comparison of the total shareholder return (“TSR”) achieved with respect to shares of the Company’s common stock against the TSR achieved by a defined peer group at the end of the designated performance periods.

Risk Factors

Investing in our common stock involves substantial risk. You should carefully consider the risk factors set forth or cross-referenced in the sections entitled “Risk Factors” beginning on page S-4 of this prospectus supplement and beginning on page 5 of the accompanying prospectus, and the other information contained in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference therein, prior to making

an investment in our common stock.

S-3

RISK FACTORS

An investment in our common stock involves risk. In addition to the risks described below, you should also carefully read the risk factors included in the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2016, together with all of the other information included in this prospectus supplement, the accompanying prospectus and the documents we have incorporated by reference into this prospectus supplement, in evaluating an investment in our common stock. If any of the described risks actually were to occur, our business, financial condition or results of operations could be affected materially and adversely. In that case, the trading price of our common stock could decline and you could lose all or part of your investment.

Risks Related to the Acquisition

We may not consummate the Acquisition, and this offering is not conditioned on the consummation of the Acquisition.

We intend to use the net proceeds of this offering to fund a portion of the Purchase Price described above under “Prospectus Supplement Summary—Recent Developments—Acquisition.” However, this offering is not conditioned on the consummation of the Acquisition, which is subject to various customary and other closing conditions. There can be no assurances that these conditions will be satisfied, the financing for the Purchase Price will be successfully obtained or that the Acquisition will be consummated.

This offering is not conditioned on the consummation of the Acquisition. Therefore, upon the closing of this offering, you will become a holder of our common stock regardless of whether the Acquisition is consummated, delayed or terminated. If the Acquisition is delayed or terminated or consummated on terms different than those described herein, the price of our common stock may decline to the extent that the current market price of our common stock reflects a market assumption that the Acquisition will be consummated on the terms described herein. Furthermore, if we are unable to consummate the Acquisition, we may be required to forfeit the \$47 million deposit we made upon execution of the Purchase Agreement. In addition, if the Acquisition is not consummated, our management will have broad discretion in the application of the net proceeds of this offering and could apply the proceeds in ways that you or other stockholders may not approve, which could adversely affect the market price of our common stock.

If the Acquisition is consummated, we may be unable to successfully integrate the assets’ operations or to realize anticipated cost savings, revenues or other benefits of the Acquisition.

Our ability to achieve the anticipated benefits of the Acquisition will depend in part upon whether we can integrate the acquired assets and operations into our existing businesses in an efficient and effective manner. We may not be able to accomplish this integration process successfully. The successful acquisition of producing properties, including those acquired from Forge Energy, requires an assessment of several factors, including:

- recoverable reserves;
- future natural gas and oil prices and their appropriate differentials;
- availability and cost of transportation of production to markets;
- availability and cost of drilling equipment and of skilled personnel;
- development and operating costs, including access to water and potential environmental and other liabilities;
- regulatory, permitting and similar matters; and
- our ability to obtain external financing to fund the Purchase Price.

The accuracy of these assessments is inherently uncertain. In connection with these assessments, we have performed a review of the subject properties that we believe to be generally consistent with industry practices.

Our review may not reveal all existing or potential problems or permit us to become sufficiently familiar with the properties to fully assess their deficiencies and potential recoverable reserves. Inspections were not performed on every well, and environmental problems are not necessarily observable even when an inspection is undertaken. The integration process may be subject to delays or changed circumstances, and we can give no assurance that the acquired properties will perform in accordance with our expectations or that our expectations with respect to integration or cost savings as a result of the Acquisition will materialize. The Acquisition involves risks that may cause our business to suffer, including:

- diversion of our management's attention;
- the challenge and cost of integrating acquired operations, information management and other technology systems and business cultures with those of ours while carrying on our ongoing business; and
- the failure to realize the full benefit that we expect in estimated proved reserves, production volume, cost savings from operating synergies or other benefits anticipated from the Acquisition, or to realize these benefits within the expected time frame.

The Acquisition represents our initial expansion outside of the Williston Basin, and we may not be successful in operating in other geographic regions.

Our operations have historically focused on a single geographic region, namely the North Dakota and Montana regions of the Williston Basin. Thus, the Acquisition represents our initial entry into the Permian Basin, and our first expansion of our operations outside of the Williston Basin. Certain aspects related to operating in the Permian Basin may not be as familiar to us as our existing project areas. As a result, we may encounter obstacles that may cause us not to achieve the expected results of the Acquisition. These obstacles may include a less familiar geological landscape, different completion techniques, midstream and downstream operators with whom we have no established relationship, greater competition for acreage, unfamiliar operating conditions and a distinct regulatory environment. Any adverse conditions, regulations or developments related to our expansion into the Permian Basin may have a negative impact on our business, financial condition and results of operations.

We will incur significant transaction and acquisition-related costs in connection with the Acquisition.

We expect to incur significant costs associated with the Acquisition and combining the operations of the assets with our operations. The substantial majority of the expenses resulting from the Acquisition will be composed of transaction costs related to the Acquisition and our integration efforts. Unanticipated costs may be incurred in the integration process. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the acquired assets with our assets, should allow us to offset incremental transaction and acquisition-related costs over time, this net benefit may not be achieved in the near term, or at all. Failure to complete the Acquisition could negatively impact our future business and financial results.

If the Acquisition is not completed or if there are significant delays in completing the Acquisition, our future business and financial results and the trading price of our common stock could be negatively affected, including the following:

- the parties may be liable for damages to one another under the terms and conditions of the Purchase Agreement;
- there may be negative reactions from the financial markets due to the fact that current prices of our common stock may reflect a market assumption that the Acquisition will be completed; and
- the attention of management will have been diverted to the Acquisition rather than their own operations and pursuit of other opportunities that could have been beneficial to our business.

In addition to the proceeds from this offering, we may seek to fund a portion of the Purchase Price for the Acquisition through additional debt financing.

In addition to the proceeds from this offering, we may seek to fund a portion of the Purchase Price for the Acquisition through additional debt financing, including through borrowings under our revolving credit facility. If we incur additional debt, the risks associated with our leverage may be exacerbated.

Risks Related to this Offering and Our Common Stock

Further declines, or extended current low commodity prices in oil and, to a lesser extent, natural gas prices may adversely affect our business, financial condition or results of operations and our ability to meet our capital expenditure obligations and financial commitments.

The price we receive for our oil and, to a lesser extent, natural gas heavily influences our revenue, profitability, access to capital and future rate of growth. Oil and natural gas are commodities and, therefore, their prices are subject to wide fluctuations in response to relatively minor changes in supply and demand. For example, average daily prices for WTI crude oil have ranged from a high of \$58.94 per barrel to a low of \$42.48 per barrel during 2017. Average daily prices for NYMEX Henry Hub natural gas have ranged from a high of \$3.71 per MMBtu to a low of \$2.44 per MMBtu during 2017. Historically, the markets for oil and natural gas have been volatile. These markets will likely continue to be volatile in the future. The prices we receive for our production, and the levels of our production, depend on numerous factors beyond our control. These factors include the following:

- worldwide and regional economic conditions impacting the global supply and demand for oil and natural gas;
- the actions of OPEC;
- the price and quantity of imports of foreign oil and natural gas;
- political conditions in or affecting other oil-producing and natural gas-producing countries, including the current conflicts in the Middle East and conditions in South America, China, India and Russia;
- the level of global oil and natural gas exploration and production;
- the level of global oil and natural gas inventories;
- localized supply and demand fundamentals and regional, domestic and international transportation availability;
- weather conditions and natural disasters;
- domestic and foreign governmental regulations;
- speculation as to the future price of oil and the speculative trading of oil and natural gas futures contracts;
- price and availability of competitors' supplies of oil and natural gas;
- technological advances affecting energy consumption; and
- the price and availability of alternative fuels.

Substantially all of our production is sold to purchasers under short-term (less than twelve-month) contracts at market-based prices. Low oil and natural gas prices will reduce our cash flows, borrowing ability, the present value of our reserves and our ability to develop future reserves. Low oil and natural gas prices may also reduce the amount of oil and natural gas that we can produce economically and may affect our proved reserves.

The market price of our common stock has fluctuated substantially in the past and is likely to fluctuate in the future as a result of a number of factors.

The market price of our common stock has historically experienced and may continue to experience volatility. For example, since January 1, 2016, the market price of our common stock has ranged between \$3.40 and \$17.08. Such fluctuations may continue because of numerous factors, including:

- domestic and worldwide supply of and demand for oil and natural gas and corresponding fluctuations in the price of oil and natural gas;
- quarterly fluctuations in our operating results and those of our competitors;
- changes in stock market analysts' estimates of our future performance and the future performance of our competitors;
- sales of a high volume of shares of our common stock by our stockholders;
- events affecting other companies that the market deems comparable to us;
- general conditions in the industries in which we operate; and
- general economic conditions in the United States and other areas.

Our financial position, our cash flows, our results of operations and our stock price could be materially adversely affected if commodity prices do not improve or decline further. In addition, in recent years the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market prices of securities issued by many companies for reasons unrelated to their operating performance. Our stock price may experience extreme volatility due to uncertainty regarding commodity prices. These market fluctuations, regardless of the cause, may materially and adversely affect our stock price, regardless of our operating results.

Our amended and restated certificate of incorporation and amended and restated bylaws, as well as Delaware law, contain provisions that could discourage acquisition bids or merger proposals, which may adversely affect the market price of our common stock.

Our amended and restated certificate of incorporation authorizes our board of directors to issue preferred stock without stockholder approval. If our board of directors elects to issue preferred stock, it could be more difficult for a third party to acquire us. In addition, some provisions of our amended and restated certificate of incorporation and amended and restated bylaws could make it more difficult for a third party to acquire control of us, even if the change of control would be beneficial to our stockholders, including:

- a classified board of directors, so that only approximately one-third of our directors are elected each year;
- limitations on the removal of directors; and
- limitations on the ability of our stockholders to call special meetings and establish advance notice provisions for stockholder proposals and nominations for elections to the board of directors to be acted upon at meetings of stockholders.

In addition, we are subject to Section 203 of the Delaware General Corporation Law, which regulates corporate takeovers. As a result, we are prohibited from engaging in any business combination with any "interested stockholder," meaning generally that a stockholder who beneficially owns more than 15% of our stock cannot acquire us for a period of three years from the date this person became an interested stockholder, unless various conditions are met, such as approval of the transaction by our board of directors.

Investors in this offering may experience future dilution.

In order to raise additional capital, effect acquisitions or for other purposes, we may in the future offer additional shares of our common stock or other securities convertible into, or exchangeable for, our common stock

at prices that may not be the same as the price per share of this offering. We have an effective shelf registration statement from which additional shares of common stock and other securities can be offered. We cannot assure you that we will be able to sell shares or other securities in any other offering at a price per share that is equal to or greater than the price per share paid by investors in this offering. If the price per share at which we sell additional shares of our common stock or related securities in future transactions is less than the price per share in this offering, investors who purchase our common stock in this offering will suffer a dilution of their investment. In addition, equity awards under our equity compensation plan may cause further dilution.

Sales of a substantial amount of our common stock in the public market, or the perception that these sales may occur, could reduce the market price of our common stock. This could also impair our ability to raise additional capital through the sale of our securities.

We do not intend to pay, and we are currently prohibited from paying, dividends on our common stock and, consequently, our shareholders' only opportunity to achieve a return on their investment is if the price of our stock appreciates.

We do not plan to declare dividends on shares of our common stock in the foreseeable future. Additionally, we are currently prohibited from making any cash dividends pursuant to the terms of our revolving credit facility and the indentures governing our senior unsecured notes. Consequently, our shareholders' only opportunity to achieve a return on their investment in us will be if the market price of our common stock appreciates, which may not occur, and the shareholder sells their shares at a profit. There is no guarantee that the price of our common stock will ever exceed the price that the shareholder paid.

We expect our future capital expenditures, together with other expenses (including debt expense) will require us to incur future borrowings under our revolving credit facility or obtain financing from other sources.

Our exploration and development activities are capital intensive. Our capital expenditure budget for 2017 is approximately \$620 million, which includes \$410 million for drilling and completion capital expenditures and \$210 million for non-drilling and completion capital expenditures. We have funded the substantial majority of our capital plan through November 2017 and have added incremental midstream capital in 2017 totaling approximately \$125 million to our 2017 plan for our second gas plant and freshwater system. We expect that our future capital expenditures will require us to incur future borrowings under our revolving credit facility or obtain financing from other sources, and that our operating cash flows alone will be insufficient to cover all of our expenses for 2017 and future periods.

For additional information regarding our capital expenditures, debt expense, financing and related impacts of commodity prices, please also read the Risk Factors in our Form 10-K for the year ended December 31, 2016 under "Our exploration, development and exploitation projects require substantial capital expenditures. We may be unable to obtain needed capital or financing on satisfactory terms, which could lead to expiration of our leases or a decline in our estimated net oil and natural gas reserves," "We may not be able to generate enough cash flow to meet our debt obligations" and "Further declines, or extended current low commodity prices, in oil and, to a lesser extent, natural gas prices may adversely affect our business, financial condition or results of operations and our ability to meet our capital expenditure obligations and financial commitments."

USE OF PROCEEDS

We estimate that, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, we will receive approximately \$302.4 million of net proceeds from this offering, or \$347.7 million if the underwriters exercise their option to purchase additional shares in full.

We expect to partially fund the cash portion of the Purchase Price with the net proceeds from this offering and the remainder with borrowings under our revolving credit facility. However, consummation of this offering is not conditioned upon the completion of the Acquisition, and the consummation of this offering is not a condition to the completion of the Acquisition.

There can be no assurance that we will complete the Acquisition on the terms described herein or at all. The closing of this offering is not conditioned on the consummation of the Acquisition. If the Acquisition is not consummated, we intend to use the net proceeds of this offering for general corporate purposes, which may include funding a portion of our 2018 capital budget. Please read “Summary—Recent Developments—Acquisition” for more information regarding the Acquisition.

CAPITALIZATION

The following table sets forth our unaudited capitalization at September 30, 2017:

on an actual basis; and

on an as adjusted basis to give effect to the issuance and sale of our common stock offered hereby (assuming no exercise of the underwriters' option to purchase additional shares), borrowings of approximately \$172.6 million under our revolving credit facility and the application of the estimated net proceeds therefrom as set forth under "Use of Proceeds."

| | As of September 30, 2017 | |
|---|--------------------------|-------------|
| | Actual | As Adjusted |
| | (In thousands) | |
| Cash and Cash Equivalents ⁽¹⁾ | \$8,488 | \$— |
| Long-term Debt ⁽²⁾ : | | |
| Revolving credit facility ⁽³⁾ | 395,000 | 567,559 |
| 7.25% Senior Notes due 2019 | 54,275 | 54,275 |
| 6.5% Senior Notes due 2021 | 395,501 | 395,501 |
| 6.875% Senior Notes due 2022 | 937,080 | 937,080 |
| 6.875% Senior Notes due 2023 | 366,094 | 366,094 |
| 2.625% Convertible Senior Notes due 2023 ⁽⁴⁾ | 300,000 | 300,000 |
| Total long-term debt | 2,447,950 | 2,620,509 |
| Stockholders' Equity: | | |
| Common stock, \$0.01 par value; 450,000,000 shares authorized; 238,639,488 shares issued and 237,312,881 outstanding; 270,639,488 shares issued and 269,312,881 outstanding, as adjusted ⁽⁵⁾ | 2,348 | 2,668 |
| Treasury stock, at cost, 1,326,607 shares | (22,132) | (22,132) |
| Additional paid-in-capital | 2,369,098 | 2,671,133 |
| Retained earnings | 593,368 | 593,368 |
| Oasis share of stockholders' equity | 2,942,682 | 3,245,037 |
| Non-controlling interests | 115,963 | 115,963 |
| Total stockholders' equity | 3,058,645 | 3,361,000 |
| Total Capitalization | \$5,506,595 | \$5,981,509 |

As adjusted amount reflects the payment of approximately \$483.4 million to fund a portion of the Purchase Price (1) for the Acquisition. Without adjusting for such payment, as adjusted cash and cash equivalents would be \$310.8 million as of September 30, 2017.

(2) Amounts exclude unamortized deferred financing costs and unamortized debt discount.

As of November 30, 2017, we had \$333 million of borrowings outstanding under our revolving credit facility, (3) excluding borrowings to pay the \$47 million deposit for the Acquisition, and had \$10.5 million of outstanding letters of credit issued under our revolving credit facility.

In accordance with ASC 470-20, convertible debt that may be wholly or partially settled in cash is required to be separated into a liability and an equity component, such that interest expense reflects the issuer's nonconvertible debt interest rate. Upon issuance, a debt discount is recognized as a decrease in debt and an increase in equity. The (4) debt component accretes up to the principal amount over the expected term of the debt. ASC 470-20 (additional paid-in capital) does not affect the actual amount that we are required to repay. The amounts presented herein are not separated into a liability and an equity component and are not adjusted for any debt discount.

As of December 8, 2017, we had 237,313,170 shares of common stock outstanding, which does not include the (5) 46 million shares issued to Forge Energy in connection with the Acquisition.

PRICE RANGE OF COMMON STOCK

Our common stock is listed on the New York Stock Exchange under the symbol "OAS." The following table shows, for the periods indicated, the high and low reported sale prices for our common stock, as reported on the New York Stock Exchange.

| | Sales Price | |
|---|-------------|---------|
| | High | Low |
| 2015: | | |
| First quarter | \$19.63 | \$12.05 |
| Second quarter | \$18.86 | \$14.23 |
| Third quarter | \$15.85 | \$8.04 |
| Fourth quarter | \$14.15 | \$6.34 |
| 2016: | | |
| First quarter | \$8.78 | \$3.40 |
| Second quarter | \$11.54 | \$6.70 |
| Third quarter | \$11.83 | \$6.56 |
| Fourth quarter | \$17.08 | \$9.00 |
| 2017: | | |
| First quarter | \$16.42 | \$11.96 |
| Second quarter | \$15.27 | \$7.36 |
| Third quarter | \$9.41 | \$6.69 |
| Fourth quarter (through December 8, 2017) | \$11.39 | \$8.17 |

On December 8, 2017, the last sales price of our common stock as reported on the New York Stock Exchange was \$10.06 per share.

The number of shareholders of record of our common stock was approximately 626 as of December 8, 2017.

DIVIDEND POLICY

We have not paid, and do not intend to pay in the foreseeable future, cash dividends on our common stock. Covenants contained in our revolving credit facility and the indentures governing our senior notes and convertible senior notes restrict the payment of dividends on our common stock. We currently intend to retain all future earnings to fund the development and growth of our business. Any payment of future dividends will be at the discretion of our board of directors and will depend on, among other things, our earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends and other considerations that our board of directors deems relevant.

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax considerations related to the purchase, ownership and disposition of our common stock by a non-U.S. holder (as defined below), that holds our common stock as a “capital asset” within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the “Code”) (generally property held for investment). This summary is based on the provisions of the Code, U.S. Treasury regulations, administrative rulings, judicial decisions and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the “IRS”), all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect, or are subject to differing interpretations. The President has proposed significant changes to U.S. federal tax laws, and Congress is currently considering these and other tax reform proposals. We cannot assure you that a change in law will not significantly alter the tax considerations that we describe in this summary. We have not sought and will not seek any ruling from the IRS with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. holders in light of their personal circumstances. In addition, this summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any state, local or non-U.S. tax laws or any tax treaties. This summary also does not address tax considerations applicable to investors that may be subject to special treatment under the U.S. federal income tax laws, such as:

- banks, insurance companies or other financial institutions;
- tax-exempt or governmental organizations;
- qualified foreign pension funds;
- brokers or dealers in securities or foreign currencies;
- traders in securities that use the mark-to-market method of accounting for U.S. federal income tax purposes;
- persons subject to the alternative minimum tax;
- partnerships or other pass-through entities for U.S. federal income tax purposes or holders of interests therein;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons that acquired our common stock through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;
- certain former citizens or long-term residents of the United States;
- real estate investment trusts or regulated investment companies; and
- persons that hold our common stock as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction or other integrated investment or risk reduction transaction.

PROSPECTIVE INVESTORS ARE ENCOURAGED TO CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS (INCLUDING ANY POTENTIAL FUTURE CHANGES THERETO) TO THEIR PARTICULAR SITUATION, AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE AND GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S. OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Non-U.S. Holder Defined

For purposes of this discussion, a “non-U.S. holder” is a beneficial owner of our common stock that is not for U.S. federal income tax purposes a partnership or any of the following:

- an individual who is a citizen or resident of the United States;

a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;

an estate the income of which is subject to U.S. federal income tax regardless of its source; or

a trust (i) whose administration is subject to the primary supervision of a U.S. court and which has one or more United States persons who have the authority to control all substantial decisions of the trust or (ii) which has made a valid election under applicable U.S. Treasury regulations to be treated as a United States person.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes)

holds our common stock, the tax treatment of a partner in the partnership generally will depend upon the status of the partner, upon the activities of the partnership and upon certain determinations made at the partner level. Accordingly, we urge partners in partnerships (including entities or arrangements treated as partnerships for U.S. federal income tax purposes) considering the purchase of our common stock to consult their tax advisors regarding the U.S. federal income tax considerations of the purchase, ownership and disposition of our common stock by such partnership.

Distributions

We do not expect to pay any distributions on our common stock in the foreseeable future. However, in the event we do make distributions of cash or other property on our common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, the distributions will be treated as a non-taxable return of capital to the extent of the non-U.S. holder's tax basis in our common stock and thereafter as capital gain from the sale or exchange of such common stock. See "—Gain on Disposition of Common Stock." Subject to the withholding requirements under FATCA (as defined below) and with respect to effectively connected dividends, each of which is discussed below, any distribution paid to a non-U.S. holder on our common stock generally will be subject to U.S. withholding tax at a rate of 30% of the gross amount of the distribution unless an applicable income tax treaty provides for a lower rate. To receive the benefit of a reduced treaty rate, a non-U.S. holder must provide the applicable withholding agent with an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) certifying qualification for the reduced rate prior to the payment of such dividends. A non-U.S. holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

Dividends paid to a non-U.S. holder that are effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, that are treated as attributable to a permanent establishment maintained by the non-U.S. holder in the United States) generally will be taxed on a net income basis at the rates and in the manner generally applicable to United States persons (as defined under the Code). Such effectively connected dividends will not be subject to U.S. withholding tax if the non-U.S. holder satisfies certain certification requirements by providing the applicable withholding agent with a properly executed IRS Form W-8ECI certifying eligibility for exemption. If the non-U.S. holder is a corporation for U.S. federal income tax purposes, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include effectively connected dividends.

Gain on Disposition of Common Stock

Subject to the discussions below under "—Backup Withholding and Information Reporting" and "—Additional Withholding Requirements under FATCA," a non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on any gain realized upon the sale or other disposition of our common stock unless:

the non-U.S. holder is an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met;

the gain is effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States); or

-