

CONTINENTAL RESOURCES, INC

Form S-4

April 24, 2013

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As filed with the Securities and Exchange Commission on April 24, 2013

Registration No. 333-

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

CONTINENTAL RESOURCES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Oklahoma
(State or Other Jurisdiction of

Incorporation or Organization)

1311
(Primary Standard Industrial

Classification Code Number)
20 N. Broadway

73-0767549
(I.R.S. Employer

Identification Number)

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Oklahoma City, Oklahoma 73102

(405) 234-9000

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Eric S. Eissenstat

Senior Vice President, General Counsel and Secretary

20 N. Broadway

Oklahoma City, Oklahoma 73102

(405) 234-9000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Michael E. Dillard

Latham & Watkins LLP

811 Main St., Suite 3700

Houston, TX 77002

713-546-5400

Approximate date of commencement of proposed sale of the securities to the public:

As soon as practicable after the effective date of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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Large accelerated filer ☒ x

Non-accelerated filer ☐ (Do not check if a smaller reporting company)

Accelerated filer ☐ "

Smaller reporting company ☐ "

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issue Tender Offer) ☐ "

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐ "

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Amount to be Registered	Amount of Registration Fee (1)
4 1/2% Senior Notes due 2023	\$ 1,500,000,000	\$ 204,600
Guarantees of 4 1/2% Senior Notes due 2023 (2)		None (3)

(1) Calculated pursuant to Rule 457(f)(2) under the Securities Act of 1933.

(2) Banner Pipeline Company, L.L.C. and CLR Asset Holdings, LLC, two of our three subsidiaries, will guarantee the Notes being registered.

(3) Pursuant to Rule 457(n) of the Securities Act of 1933, no registration fee is required for the Guarantees.

Each registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF ADDITIONAL REGISTRANT GUARANTORS

Exact Name of Registrant Guarantors(1)	State or Other Jurisdiction of Incorporation or Formation	IRS Employer Identification Number
Banner Pipeline Company, L.L.C.	Oklahoma	20-3304849
CLR Asset Holdings, LLC	Oklahoma	46-1489128

(1) The address for the Registrant Guarantors is 20 N. Broadway Oklahoma City, Oklahoma 73102 and the telephone number for the Registrant Guarantors is (405) 234-9000. The Primary Industrial Classification Code for the Registrant Guarantors is 1311.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offering is not permitted.

SUBJECT TO COMPLETION, DATED APRIL 24, 2013

PROSPECTUS

Offer to Exchange

Up To \$1,500,000,000 of

4 1/2% Senior Notes due 2023 (CUSIP Nos. 212015 AK7 and U21180 AC5)

That Have Not Been Registered Under

The Securities Act of 1933

For

Up To \$1,500,000,000 of

4 1/2% Senior Notes due 2023 (CUSIP No. 212015 AL5)

That Have Been Registered Under

The Securities Act of 1933

Terms of the New 4 1/2% Senior Notes due 2023 Offered in the Exchange Offer:

The terms of the new notes (CUSIP No. 212015 AL5 (the "New Notes")) are identical to the terms of the old notes that were issued on April 5, 2013 (CUSIP Nos. 212015 AK7 and U21180 AC5 (the "Old Notes")), except that the New Notes will be registered under the Securities Act of 1933 and will not contain restrictions on transfer, registration rights or provisions for additional interest.

Terms of the Exchange Offer:

We are offering to exchange up to \$1,500,000,000 of our Old Notes for New Notes with materially identical terms that have been registered under the Securities Act of 1933 and are freely tradable.

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We will exchange all Old Notes that you validly tender and do not validly withdraw before the exchange offer expires for an equal principal amount of New Notes.

The exchange offer expires at 5:00 p.m., New York City time, on _____, 2013, unless extended.

Tenders of Old Notes may be withdrawn at any time prior to the expiration of the exchange offer.

The exchange of New Notes for Old Notes will not be a taxable event for U.S. federal income tax purposes.

Broker-dealers who receive New Notes pursuant to the exchange offer acknowledge that they will deliver a prospectus in connection with any resale of such New Notes.

Broker-dealers who acquired the Old Notes as a result of market-making or other trading activities may use the prospectus for the exchange offer, as supplemented or amended, in connection with resales of the New Notes.

You should carefully consider the risk factors beginning on page 8 of this prospectus before participating in the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is May _____, 2013

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This prospectus is part of a registration statement we filed with the Securities and Exchange Commission. In making your investment decision, you should rely only on the information contained or incorporated by reference in this prospectus and in the accompanying letter of transmittal. We have not authorized anyone to provide you with any other information. We are not making an offer to sell these securities or soliciting an offer to buy these securities in any jurisdiction where an offer or solicitation is not authorized or in which the person making that offer or solicitation is not qualified to do so or to anyone whom it is unlawful to make an offer or solicitation. You should not assume that the information contained in this prospectus, as well as the information we previously filed with the Securities and Exchange Commission that is incorporated by reference herein, is accurate as of any date other than its respective date.

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In this prospectus, we, us, our, the Company, and Continental refer to Continental Resources, Inc. and its consolidated subsidiaries, unless otherwise indicated or the context otherwise requires.

This prospectus incorporates important business and financial information about us that is not included or delivered with this prospectus. Such information is available without charge to holders of Old Notes upon written or oral request made to Continental Resources, Inc., 20 N. Broadway, Oklahoma City, Oklahoma 73102, Attention: Chief Financial Officer (Telephone (405) 234-9000). To obtain timely delivery of any requested information, holders of Old Notes must make any request no later than five business days prior to the expiration of the exchange offer.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

The information in this prospectus, including information in documents incorporated by reference, includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). All statements, other than statements of historical fact included or incorporated by reference in this prospectus, including, but not limited to, statements or information concerning our future operations, performance, financial condition, production and reserves, schedules, plans, timing of development, returns, budgets, costs, business strategy, objectives and cash flow are forward-looking statements. When used in this prospectus, the words could, may, believe, anticipate, intend, estimate, expect, project budget, plan, continue, potential, similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Forward-looking statements are based on our current expectations and assumptions

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about future events and are based on currently available information as to the outcome and timing of future events. Although we believe the expectations reflected in the forward-looking statements are reasonable and based on reasonable assumptions, no assurance can be given that such expectations will be correct or achieved or that the assumptions are accurate. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under the heading "Risk Factors" included in this prospectus, the risk factors and other cautionary statements described under the heading "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this prospectus, and, to the extent applicable, in any subsequently filed reports.

Without limiting the generality of the foregoing, certain statements incorporated by reference or included in this prospectus constitute forward-looking statements.

Forward-looking statements may include statements about:

our business strategy;

our future operations;

our reserves;

our technology;

our financial strategy;

crude oil, natural gas liquids and natural gas prices and differentials;

the timing and amount of future production of crude oil and natural gas and flaring activities;

the amount, nature and timing of capital expenditures;

estimated revenues, expenses and results of operations;

drilling and completing of wells;

competition;

marketing of crude oil and natural gas;

transportation of crude oil, natural gas liquids and natural gas to markets;

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exploitation or property acquisitions or dispositions;

costs of exploiting and developing our properties and conducting other operations;

our financial position;

general economic conditions;

credit markets;

our liquidity and access to capital;

the impact of governmental policies, laws and regulations, as well as regulatory and legal proceedings involving us and of scheduled or potential regulatory or legal changes;

our future operating results;

plans, objectives, expectations and intentions contained in this prospectus or in the documents incorporated by reference in this prospectus that are not historical, including, without limitation, statements regarding our future growth plans;

our commodity hedging arrangements; and

the ability and willingness of current or potential lenders, hedging contract counterparties, customers, and working interest owners to fulfill their obligations to us or to enter into transactions with us in the future on terms that are acceptable to us.

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We caution you these forward-looking statements are subject to all of the risks and uncertainties, most of which are difficult to predict and many of which are beyond our control, incident to the exploration for, and development, production, and sale of crude oil and natural gas. These risks include, but are not limited to, commodity price volatility, inflation, lack of availability of drilling and production equipment and services, environmental risks, drilling and other operating risks, regulatory changes, the uncertainty inherent in estimating crude oil and natural gas reserves and in projecting future rates of production, cash flows and access to capital, the timing of development expenditures, and the other risks described under "Risk Factors" in this prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2012 (which is incorporated by reference in this prospectus) and, to the extent applicable, in any subsequently filed reports.

Reserve engineering is a process of estimating underground accumulations of crude oil and natural gas that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data, and price and cost assumptions made by reservoir engineers. In addition, the results of drilling, testing, and production activities may justify revisions of estimates that were made previously. If significant, such revisions could change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ significantly from the quantities of crude oil and natural gas that are ultimately recovered.

Should one or more of the risks or uncertainties described or incorporated by reference in this prospectus occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. Should one or more of the risks or uncertainties described in this prospectus occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements, expressed or implied, included in this prospectus, or in the documents incorporated by reference in this prospectus, are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue.

Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this prospectus. See also "Where You Can Find More Information; Incorporation by Reference."

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PROSPECTUS SUMMARY

*This summary highlights some of the information contained in this prospectus and does not contain all of the information that may be important to you. You should read this entire prospectus and the documents incorporated by reference and to which we refer you before making an investment decision. You should carefully consider the information set forth under **Risk Factors** beginning on page 8 of this prospectus, the other cautionary statements described in this prospectus, and the risk factors and other cautionary statements, including those described under the heading **Risk Factors** in our Annual Report on Form 10-K for the year ended December 31, 2012, which are incorporated by reference in this prospectus, and, to the extent applicable, any subsequently filed reports. In addition, certain statements include forward-looking information that involves risks and uncertainties. See **Cautionary Statement Regarding Forward-Looking Statements**.*

*In this prospectus we refer to the notes to be issued in the exchange offer as the **New Notes** and the notes issued on April 5, 2013 as the **Old Notes**. We refer to the **New Notes** and the **Old Notes** collectively as the **Notes**.*

Continental Resources, Inc.

We are an independent crude oil and natural gas exploration, development and production company with properties in the North, South and East regions of the United States. For additional information about our business, operations and financial results, see the documents listed under **Where You Can Find More Information; Incorporation By Reference**.

Our principal executive offices are located at 20 N. Broadway, Oklahoma City, Oklahoma 73102, and our telephone number at that address is (405) 234-9000.

Risk Factors

You should carefully consider all the information contained in this prospectus, including information in documents incorporated by reference, prior to participating in the exchange offer. In particular, we urge you to carefully consider the factors set forth under **Risk Factors** beginning on page 8 of this prospectus and those risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2012, which are incorporated by reference in this prospectus, and, to the extent applicable, any subsequently filed reports.

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The Exchange Offer

On April 5, 2013, we completed a private offering of the Old Notes. We entered into a registration rights agreement with the initial purchasers in the private offering in which we agreed to deliver to you this prospectus and to use commercially reasonable efforts to complete the exchange offer within 400 days after the date we issued the Old Notes.

Exchange Offer	We are offering to exchange New Notes for Old Notes.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on _____, 2013, unless we decide to extend it.
Condition to the Exchange Offer	The registration rights agreement does not require us to accept Old Notes for exchange if the exchange offer, or the making of any exchange by a holder of the Old Notes, would violate any applicable law or interpretation of the staff of the Securities and Exchange Commission. The exchange offer is not conditioned on a minimum aggregate principal amount of Old Notes being tendered.
Procedures for Tendering Old Notes	<p>To participate in the exchange offer, you must follow the procedures established by The Depository Trust Company, which we call "DTC," for tendering Old Notes held in book-entry form. These procedures, which we call "ATOP," ("Automated Tender Offer Program") require that (i) the exchange agent receive, prior to the expiration date of the exchange offer, a computer generated message known as an "agent's message" that is transmitted through DTC's automated tender offer program, and (ii) DTC has received:</p> <p>your instructions to exchange your Old Notes, and</p> <p>your agreement to be bound by the terms of the letter of transmittal.</p> <p>For more information on tendering your Old Notes, please refer to the sections in this prospectus entitled "Exchange Offer," "Terms of the Exchange Offer," "Procedures for Tendering," and "Description of Notes" and "Book-Entry; Delivery and Form."</p>
Guaranteed Delivery Procedures	None.
Withdrawal of Tenders	You may withdraw your tender of Old Notes at any time prior to the expiration date. To withdraw, you must submit a notice of withdrawal to the exchange agent using ATOP procedures before 5:00 p.m., New York City time, on the expiration date of the exchange offer. Please refer to the section in this prospectus entitled "Exchange Offer," "Withdrawal of Tenders."
Acceptance of Old Notes and Delivery of New Notes	If you fulfill all conditions required for proper acceptance of Old Notes, we will accept any and all Old Notes that you properly tender in the exchange offer on or before 5:00 p.m. New York City time on the expiration date. We will return any Old Notes that we do

not accept for exchange to you without expense promptly after the expiration date. Please refer to the section in this prospectus entitled "Exchange Offer" Terms of the Exchange Offer.

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Fees and Expenses	We will bear expenses related to the exchange offer. Please refer to the section in this prospectus entitled "Exchange Offer - Fees and Expenses."
Use of Proceeds	The issuance of the New Notes will not provide us with any new proceeds. We are making this exchange offer solely to satisfy our obligations under our registration rights agreement.
Consequences of Failure to Exchange Old Notes	<p>If you do not exchange your Old Notes in this exchange offer, you will no longer be able to require us to register the Old Notes under the Securities Act of 1933 except in limited circumstances provided under the registration rights agreement. In addition, you will not be able to resell, offer to resell or otherwise transfer the Old Notes unless we have registered the Old Notes under the Securities Act of 1933, or unless you resell, offer to resell or otherwise transfer them under an exemption from the registration requirements of, or in a transaction not subject to, the Securities Act of 1933.</p> <p>In addition, after the consummation of the exchange offer, it is anticipated that the outstanding principal amount of the Old Notes available for trading will be significantly reduced. The reduced float may adversely affect the liquidity and market price of the Old Notes. A smaller outstanding principal amount of Old Notes available for trading may also make the price of the Old Notes more volatile.</p>
U.S. Federal Income Tax Consequences	The exchange of New Notes for Old Notes in the exchange offer will not be a taxable event for U.S. federal income tax purposes. Please refer to the section in this prospectus entitled "Material United States Federal Tax Consequences."
Exchange Agent	We have appointed Wilmington Trust, National Association as exchange agent for the exchange offer. You should direct questions and requests for assistance, requests for additional copies of this prospectus or the letter of transmittal to the exchange agent addressed as follows: Wilmington Trust, National Association, c/o Wilmington Trust Company, Corporate Capital Markets, Rodney Square North, 1100 N. Market Street, Wilmington, DE 19890-1626. Eligible institutions may make requests by facsimile at (302) 636-4139 and may confirm facsimile delivery by calling (302) 636-6181.

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Terms of the New Notes

The New Notes will be identical to the Old Notes except that the New Notes will be registered under the Securities Act of 1933 and will not have restrictions on transfer, registration rights or provisions for additional interest. The New Notes will evidence the same debt as the Old Notes, and the same indenture dated April 5, 2013 (the "Indenture") among the Company, Banner Pipeline Company, L.L.C., CLR Asset Holdings, LLC and Wilmington Trust, National Association (a national banking association), as trustee (the "Trustee"), that governs our Old Notes will govern the New Notes.

The following summary contains basic information about the New Notes and is not intended to be complete. It does not contain all information that may be important to you. For a more complete understanding of the New Notes, please refer to the section entitled "Description of Notes" in this prospectus.

Issuer	Continental Resources, Inc.
Securities Offered	\$1.5 billion aggregate principal amount of 4 ¹ / ₂ % Senior Notes due 2023.
Maturity	April 15, 2023.
Interest Payment Dates	Interest on the New Notes will be paid semi-annually in arrears on April 15 and October 15 of each year commencing on October 15, 2013.
Guarantees	<p>The payment of the principal, premium, if any, and interest on the New Notes will be fully and unconditionally guaranteed on a senior unsecured basis by Banner Pipeline Company, L.L.C., and CLR Asset Holdings, LLC, which have insignificant assets with no current value and no operations, and by certain of our future restricted subsidiaries. Any guarantees will be unsecured senior indebtedness of our subsidiary guarantors and will have the same ranking with respect to the indebtedness of our subsidiary guarantors as the New Notes will have with respect to our indebtedness. For the purposes of the Indenture, 20 Broadway Associates LLC has been designated an unrestricted subsidiary and, as such, will not guarantee the New Notes. See "Description of Notes" Guarantees.</p> <p>The guarantee of each subsidiary guarantor will be a senior unsecured obligation of such subsidiary guarantor and will rank equally in right of payment to all of such subsidiary guarantor's existing and future senior indebtedness. The guarantee of each subsidiary guarantor will rank senior in right of payment to all of such subsidiary guarantor's future subordinated indebtedness. The guarantee of each subsidiary guarantor will be effectively subordinated to such subsidiary guarantor's existing and future secured debt and other secured obligations to the extent of the value of the assets securing such debt and other obligations.</p> <p>At December 31, 2012, the total assets and total liabilities of our non-guarantor subsidiary were approximately \$24.9 million and \$25.0 million, respectively, and, for the year ended December 31, 2012, our</p>

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non-guarantor subsidiary generated approximately \$1.3 million and \$1.3 million of revenues and pre-tax loss, respectively.

Ranking

The New Notes will be our senior unsecured obligations and will rank equally in right of payment to all of our existing and future senior indebtedness. The New Notes will rank senior in right of payment to all of our future subordinated indebtedness. The New Notes will be effectively subordinated to our existing and future secured debt and other secured obligations (including under our existing revolving credit facility and any other credit facility or commercial paper facility that we may enter into from time to time in the future), to the extent of the value of the assets securing amounts outstanding under such facilities. The New Notes also will be structurally subordinated to the rights of creditors and preferred security holders of our subsidiaries that do not guarantee the notes. Our subsidiary, 20 Broadway Associates LLC, has been designated as an unrestricted subsidiary for purposes of the Indenture governing the Notes and, as such, will not guarantee the New Notes, and one or more future subsidiaries may not guarantee the New Notes. See Description of Notes Ranking.

After giving effect to the application of the net proceeds of the offering of the Old Notes, as of December 31, 2012:

we and our guarantors, Banner Pipeline Company, L.L.C. and CLR Asset Holdings, LLC, would have had an aggregate of \$4.4 billion of senior indebtedness outstanding and no secured debt outstanding; and

our subsidiary that will not guarantee the Notes, 20 Broadway Associates LLC, would have had approximately \$20.4 million of indebtedness.

Optional Redemption

At any time prior to January 15, 2023, we may redeem the New Notes, in whole or in part, pursuant to a make-whole call, plus accrued and unpaid interest, if any, to, the redemption date.

At any time on or after January 15, 2023 (three months prior to the maturity date of the New Notes), we may redeem the New Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the New Notes being redeemed, plus accrued and unpaid interest, if any, to the redemption date.

See Description of Notes Optional Redemption.

Restrictive Covenants

The Indenture governing the Notes contains covenants that limit our ability and certain of our subsidiaries' ability to:

create liens securing certain indebtedness;

enter into certain sale-leaseback transactions; and

consolidate, merge or transfer assets.

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The covenants are subject to a number of important exceptions and qualifications, including an exception relating to liens securing certain credit facilities, which are described under [Description of Notes](#) [Certain Covenants](#).

Mandatory Offers to Purchase

Upon the occurrence of a change of control, holders of the New Notes will have the right to require us to purchase all or a portion of the New Notes at a price equal to 101% of the principal amount, together with any accrued and unpaid interest to the date of purchase. In connection with certain sale/leaseback transactions, we will be required to use the Excess Proceeds, as defined in [Description of Notes](#) [Certain Covenants](#) [Limitation on Sale/Leaseback Transactions](#), of the sale/leaseback transaction to make an offer to purchase the Notes at 100% of the principal amount, together with any accrued and unpaid interest to the date of purchase. See [Description of Notes](#) [Change of Control](#) and [Description of Notes](#) [Certain Covenants](#) [Limitation on Sale/Leaseback Transactions](#).

Limited Public Market for the New Notes

The New Notes generally will be freely transferable, but will also be securities for which the public market may be limited. There can be no assurance as to the development, persistence or liquidity of any market for the New Notes. We do not intend to apply for a listing of the New Notes on any securities exchange or any automated dealer quotation system.

Risk Factors

The New Notes involve risks. See [Risk Factors](#) beginning on page 8 for a discussion of certain factors you should consider in evaluating an investment in the New Notes.

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The following table sets forth our ratio of earnings to fixed charges for the periods presented:

	Year Ended December 31,					
	Pro forma					
	2012	2012	2011	2010	2009	2008
Ratio of earnings to fixed charges	5.2x(1)	9.2x	10.0x	5.9x	5.7x	43.5x

- (1) Because the net proceeds of the offering of the Old Notes were used to repay indebtedness and because of the increase in interest related to the Old Notes, our ratio of earnings to fixed charges changed by 10% or more. After giving effect to the application of the net proceeds of the offering of the Old Notes, our pro forma ratio of earnings to fixed charges for the year ended December 31, 2012 would have been 5.2x.

For purposes of computing the ratio of earnings to fixed charges, earnings consists of pretax income from continuing operations plus fixed charges (excluding capitalized interest). Fixed charges represents interest incurred (whether expensed or capitalized), amortization of debt expense and that portion of rental expense on operating leases deemed to be the equivalent of interest.

We did not have any preferred stock outstanding and there were no preferred stock dividends paid or accrued during the periods presented above.

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RISK FACTORS

You should carefully consider the information included or incorporated by reference in this prospectus, including the matters addressed under Cautionary Statement Regarding Forward-Looking Statements, and the risks described below. In addition, you should read the risk factors in our Annual Report on Form 10-K for the year ended December 31, 2012, which are incorporated by reference in this prospectus and, to the extent applicable, any subsequently filed reports.

We are subject to certain risks and hazards due to the nature of the business activities we conduct. The risks discussed below, any of which could materially and adversely affect our business, financial condition, cash flows and results of operations, are not the only risks we face. We may experience additional risks and uncertainties not currently known to us; or, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, cash flows, and results of operations.

Risks Relating to the Notes

If you do not properly tender your Old Notes, you will continue to hold unregistered Old Notes and your ability to transfer Old Notes will remain restricted and may be adversely affected.

We will only issue New Notes in exchange for Old Notes that you timely and properly tender. Therefore, you should allow sufficient time to ensure timely delivery of the Old Notes and you should carefully follow the instructions on how to tender your Old Notes. Neither we nor the exchange agent is required to tell you of any defects or irregularities with respect to your tender of Old Notes.

If you do not exchange your Old Notes for New Notes pursuant to the exchange offer, the Old Notes you hold will continue to be subject to the existing transfer restrictions. In general, you may not offer or sell the Old Notes except under an exemption from, or in a transaction not subject to, the Securities Act of 1933 and applicable state securities laws. We do not plan to register Old Notes under the Securities Act of 1933 unless our registration rights agreement with the initial purchasers of the Old Notes requires us to do so. Further, if you continue to hold any Old Notes after the exchange offer is consummated, you may have trouble selling them because there will be fewer of the Old Notes outstanding.

We may not be able to generate sufficient cash to service all of our indebtedness, including the Notes, and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the Notes.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness, including the Notes. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments and the Indenture governing the Notes may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. Our revolving credit

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facility, the indentures governing our 8 ¹/₄% Senior Notes due 2019, 7 ³/₈% Senior Notes due 2020, 7 ¹/₈% Senior Notes due 2021, 5% Senior Notes due 2022 and the Indenture governing the Notes restrict our ability to dispose of assets and use the proceeds from the disposition. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them and these proceeds may not be adequate to meet any debt service obligations then due. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations.

If we are unable to comply with the restrictions and covenants in the agreements governing our Notes and other debt, there could be a default under the terms of these agreements, which could result in an acceleration of payment of funds we have borrowed and would impact our ability to make principal and interest payments on the Notes.

If we are unable to comply with the restrictions and covenants in the agreements governing our Notes or in current or future debt financing agreements, there could be a default under the terms of these agreements. Our ability to comply with these restrictions and covenants, including meeting financial ratios and tests, may be affected by events beyond our control. As a result, we cannot assure you that we will be able to comply with these restrictions and covenants or meet these tests. Any default under the agreements governing our indebtedness, including a default under our revolving credit facility or under the indentures governing our 8 ¹/₄% Senior Notes due 2019, 7 ³/₈% Senior Notes due 2020, 7 ¹/₈% Senior Notes due 2021, 5% Senior Notes due 2022 and the Indenture governing the Notes, that is not waived by the required lenders or holders, as the case may be, and the remedies sought by the holders of such indebtedness, could prevent us from paying principal, premium, if any, and interest on the Notes and substantially decrease the market value of the Notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, and interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants in the instruments governing our indebtedness (including covenants in our revolving credit facility and the Indenture governing the Notes), we could be in default under the terms of the agreements governing such indebtedness, including our revolving credit facility and the Indenture governing the Notes. In the event of such default:

the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest;

the lenders under our revolving credit facility could elect to terminate their commitments thereunder, cease making further loans and institute foreclosure proceedings against our assets; and

we could be forced into bankruptcy or liquidation.

If our operating performance declines, we may in the future need to obtain waivers from the required lenders under our revolving credit facility to avoid being in default. If we breach our covenants under our revolving credit facility and seek a waiver, we may not be able to obtain a waiver from the required lenders. If this occurs, we would be in default under our revolving credit facility, the lenders could exercise their rights, as described above, and we could be forced into bankruptcy or liquidation.

The Notes lack many of the covenants typically found in other comparably rated public debt securities.

Although the Notes have been rated below investment grade by both Standard & Poor's and Moody's Investors Service, they lack the protection for holders that is provided by several financial and other restrictive covenants typically associated with comparably rated public debt securities, including:

incurrence of additional indebtedness;

payment of dividends and other restricted payments;

sale of assets and the use of proceeds therefrom;

transactions with affiliates; and

dividend and other payment restrictions affecting subsidiaries.

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The primary restrictive covenants contained in the Indenture under which the Notes are issued will limit only our ability and certain of our subsidiaries' ability to create liens securing certain indebtedness, enter into certain sale-leaseback transactions and consolidate, merge or transfer assets. Those covenants are subject to a number of important exceptions and qualifications, including an exception relating to liens securing any existing or future credit facilities or commercial paper facilities without restriction as to amount, which are described under "Description of Notes—Certain Covenants."

Your ability to transfer the Notes may be limited by the absence of an active trading market, and there is no assurance that any active trading market for the Notes will develop or persist.

The Old Notes have not been registered under the Securities Act of 1933, and may not be resold by holders thereof unless the Old Notes are subsequently registered or an exemption from the registration requirements of the Securities Act of 1933 is available. However, we cannot assure you that, even following registration or exchange of the Old Notes for New Notes, that an active trading market for the Old Notes or the New Notes will exist (or persist, if developed), and we will have no obligation to create such a market. At the time of the private placement of the Old Notes, the initial purchasers advised us that they intended to make a market in the Old Notes and, if issued, the New Notes. The initial purchasers are not obligated, however, to make a market in the Old Notes or the New Notes and any market making may be discontinued at any time at their sole discretion. No assurance can be given as to the liquidity of or trading market for the Old Notes or the New Notes.

The liquidity of any trading market for the Notes and the market price quoted for the Notes will depend upon the number of holders of the Notes, the overall market for high yield securities, our financial performance or prospects or the prospects for companies in our industry generally, the interest of securities dealers in making a market in the Notes and other factors.

We may not be able to repurchase the Notes in certain circumstances.

Under the terms of the Indenture, you may require us to repurchase all or a portion of your Notes in the event of a change of control, as defined in "Description of Notes—Certain Definitions." Also, in these circumstances holders of our outstanding 7% Senior Notes due 2019, 7³/₈% Senior Notes due 2020, 7¹/₈% Senior Notes due 2021 and 5% Senior Notes due 2022 and lenders under our revolving credit facility may have the right to require us to repurchase those notes or repay borrowings under our revolving credit facility. As a result, we may not have enough funds to pay the repurchase price of the Notes on a purchase date (in which case, we could be required to issue common stock to pay the repurchase price).

Our existing and any future credit agreements or other debt agreements to which we become a party may provide that our obligation to repurchase the Notes would be an event of default under such agreement. As a result, we may be restricted or prohibited from repurchasing the Notes. If we are prohibited from repurchasing the Notes, we could seek the consent of our then-existing lenders to repurchase the Notes or we could attempt to refinance the borrowings that contain such prohibition. If we are unable to obtain a consent or refinance the debt, we could not repurchase the Notes. Our failure to repurchase tendered Notes would constitute a default under the Indenture and might constitute a default under the terms of other indebtedness that we incur.

In a recent decision, the Chancery Court of Delaware raised the possibility that a change of control put right occurring as a result of a failure to have continuing directors comprising a majority of a board of directors may be unenforceable on public policy grounds.

The term "change of control", as defined in "Description of Notes—Certain Definitions", is limited to certain specified transactions and may not include other events that might adversely affect our financial condition. Our obligation to repurchase the Notes upon a change of control would not necessarily afford holders of Notes protection in the event of a highly leveraged transaction, reorganization, merger or similar transaction involving us.

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The Notes will be effectively junior in right of payment to our existing and future secured debt and that of our guarantors.

The Notes, and the guarantees of the Notes, are unsecured and therefore will be effectively junior in right of payment to any of our existing and future secured debt and that of our subsidiary guarantors to the extent of the value of assets securing such debt. In the event of a bankruptcy or similar proceeding, the assets that serve as collateral for any secured debt will be available to satisfy the obligations under the secured debt before any payments are made on the Notes.

The Indenture under which the Notes are issued permits us to incur secured obligations, other than certain Funded Debt, as defined in Description of Notes Certain Definitions, without equally and ratably securing the Notes. For example, under the covenant described under Description of Notes Certain Covenants Limitation on Liens Securing Funded Debt, we may, without securing the Notes, incur secured debt pursuant to any existing or future credit facilities and commercial paper facilities with institutional lenders without restriction as to amount. Holders of any such additional secured indebtedness or other obligations would also have claims with respect to our assets constituting collateral for their indebtedness and obligations that are prior to your claims under the Notes. To the extent the value of the collateral is not sufficient to satisfy such indebtedness and obligations, the holders of that indebtedness and those obligations would be entitled to share with the holders of the Notes and the holders of other claims against us with respect to the remainder of our assets, if any. However, since we would be permitted to pledge all of our assets to secure that other indebtedness and those other obligations, there could be no assets remaining to satisfy the claims of holders of the Notes.

As of December 31, 2012, after giving effect to the application of the net proceeds from the offering of the Old Notes, we had no outstanding secured debt under our revolving credit facility and \$20.4 million in connection with 20 Broadway Associates LLC. As of December 31, 2012, after giving effect to the application of the net proceeds from the offering of the Old Notes, we had approximately \$1.5 billion of available borrowing capacity under our revolving credit facility and can increase the commitment level up to the lesser of the borrowing base (\$3.25 billion) and \$2.5 billion. Our borrowing base was increased in the fourth quarter of 2012 to \$3.25 billion, and our next semi-annual borrowing base redetermination will occur in the second quarter of 2013. The Notes will effectively be junior in right of payment to any borrowings under our revolving credit facility. The Indenture under which the Notes are issued does not limit our ability to increase the size of this facility or to enter into other credit facilities or commercial paper facilities, whether secured or unsecured. The indebtedness under any such facility would effectively rank senior to our obligations under the Notes to the extent of the value of the collateral securing such facility.

Claims of holders of the Notes will be structurally subordinate to claims of creditors of our non-guarantor subsidiaries.

For the purposes of the Indenture, our subsidiary 20 Broadway Associates LLC has been designated an unrestricted subsidiary and, as such, will not guarantee the Notes. In addition, in certain circumstances a subsidiary may not be required to be, or may be delayed in becoming, a subsidiary guarantor. See Description of Notes Guarantees and Description of Notes Certain Covenants Issuance of Guarantees by Restricted Subsidiaries. Claims of holders of the Notes will be structurally subordinated to all of the liabilities of 20 Broadway Associates LLC and any future subsidiaries that do not guarantee the Notes. As of December 31, 2012, 20 Broadway Associates LLC had approximately \$20.4 million of indebtedness. In the event of a bankruptcy, liquidation or dissolution of 20 Broadway Associates LLC or any future subsidiaries that do not guarantee the Notes, holders of their indebtedness will generally be entitled to payment on their claims from assets of those subsidiaries before any assets are made available for distribution to us.

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Any guarantees of the Notes by our subsidiaries could be deemed fraudulent conveyances under certain circumstances, and a court may subordinate or void the subsidiary guarantees.

CLR Asset Holdings, LLC and Banner Pipeline Company, L.L.C., are the sole initial subsidiary guarantors of the Notes. For the purposes of the Indenture, 20 Broadway Associates LLC has been designated an unrestricted subsidiary and, as such, will not guarantee the Notes. In certain circumstances, any of our future subsidiaries may be required to guarantee the Notes. A court could subordinate or void the subsidiary guarantees under various fraudulent conveyance or fraudulent transfer laws. Generally, to the extent that a U.S. court was to find that at the time one of our subsidiaries entered into a subsidiary guarantee and either:

the subsidiary incurred the guarantee with the intent to hinder, delay, or defraud any present or future creditor, or contemplated insolvency with a design to favor one or more creditors to the exclusion of others; or

the subsidiary did not receive fair consideration or reasonably equivalent value for issuing the subsidiary guarantee and, at the time it issued the subsidiary guarantee, the subsidiary:

was insolvent or became insolvent as a result of issuing the subsidiary guarantee,

was engaged or about to engage in a business or transaction for which the remaining assets of the subsidiary constituted unreasonably small capital, or

intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they matured, then the court could void or subordinate the subsidiary guarantee in favor of the subsidiary's other obligations.

A legal challenge of a subsidiary guarantee on fraudulent conveyance grounds may focus, among other things, on the benefits, if any, the subsidiary realized as a result of our issuing the Notes. To the extent a subsidiary guarantee is voided as a fraudulent conveyance or held unenforceable for any other reason, the holders of the Notes would not have any claim against that subsidiary and would be creditors solely of us and any other subsidiary guarantors whose guarantees are not held unenforceable.

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EXCHANGE OFFER

Purpose and Effect of the Exchange Offer

At the closing of the offering of the Old Notes, we entered into a registration rights agreement with the initial purchasers pursuant to which we agreed, for the benefit of the holders of the Old Notes, at our cost, to do the following:

file an exchange offer registration statement with the Securities and Exchange Commission (SEC) with respect to the exchange offer for the New Notes, and

use commercially reasonable efforts to have the exchange offer completed by the 400th day following issuance of the Old Notes. Additionally, we agreed to offer the New Notes in exchange for surrender of the Old Notes upon the SEC's declaring the exchange offer registration statement effective. We agreed to use commercially reasonable efforts to cause the exchange offer registration statement to be effective continuously, and to keep the exchange offer open for a period of not less than 20 business days.

For each Old Note surrendered to us pursuant to the exchange offer, the holder of such Old Note will receive a New Note having a principal amount equal to that of the surrendered Old Note. Interest payments on the Notes will be made semi-annually in cash, on April 15 and October 15 of each year, commencing on October 15, 2013. The registration rights agreement also provides an agreement to include in the prospectus for the exchange offer certain information necessary to allow a broker-dealer who holds Old Notes that were acquired for its own account as a result of market-making activities or other ordinary course trading activities (other than Old Notes acquired directly from us or one of our affiliates) to exchange such Old Notes pursuant to the exchange offer and to satisfy the prospectus delivery requirements in connection with resales of New Notes received by such broker-dealer in the exchange offer. We agreed to use commercially reasonable efforts to maintain the effectiveness of the exchange offer registration statement for these purposes for a period of 180 days after the completion of the exchange offer, which period may be extended under certain circumstances.

The preceding agreement is needed because any broker-dealer who acquires Old Notes for its own account as a result of market-making activities or other trading activities is required to deliver a prospectus meeting the requirements of the Securities Act of 1933. This prospectus covers the offer and sale of the New Notes pursuant to the exchange offer and the resale of New Notes received in the exchange offer by any broker-dealer who held Old Notes acquired for its own account as a result of market-making activities or other trading activities other than Old Notes acquired directly from us or one of our affiliates.

Holders that are broker-dealers may be deemed underwriters within the meaning of the Securities Act of 1933 in connection with any resale of New Notes acquired in the exchange offer. Holders that are broker-dealers must acknowledge that they acquired their Old Notes in market-making activities or other trading activities and must deliver a prospectus when they resell the New Notes they acquire in the exchange offer in order not to be deemed an underwriter.

Based on interpretations by the staff of the SEC set forth in no-action letters issued to third parties, we believe that the New Notes issued in exchange for Old Notes may be offered for resale, resold and otherwise transferred by any New Note holder without compliance with the registration and prospectus delivery provisions of the Securities Act of 1933, if:

such holder is not an affiliate of ours within the meaning of Rule 405 under the Securities Act of 1933;

such New Notes are acquired in the ordinary course of the holder's business; and

the holder does not intend to participate in the distribution of such New Notes.

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Any holder who tenders in the exchange offer with the intention of participating in any manner in a distribution of the New Notes:

cannot rely on the position of the staff of the SEC set forth in Exxon Capital Holdings Corp., SEC No-Action Letter (April 13, 1988); Morgan Stanley & Co. Inc., SEC No-Action Letter (June 5, 1991); Shearman & Sterling, SEC No-Action Letter (July 2, 1993) or similar interpretive letters; and

must comply with the registration and prospectus delivery requirements of the Securities Act of 1933 in connection with a secondary resale transaction.

If, as stated above, a holder cannot rely on the position of the staff of the SEC set forth in Exxon Capital Holdings Corporation or similar interpretive letters, any effective registration statement used in connection with a secondary resale transaction must contain the selling security holder information required by Item 507 of Regulation S-K under the Securities Act of 1933.

Each holder of the Old Notes (other than certain specified holders) who desires to exchange Old Notes for the New Notes in the exchange offer will be required to make the representations described below under Procedures for Tendering Your Representations to Us.

We further agreed to file with the SEC a shelf registration statement to register for public resale of Old Notes held by any holder who provides us with certain information for inclusion in the shelf registration statement if:

the exchange offer is not permitted by applicable law or SEC policy, or

the exchange offer is not for any reason completed by the 400th day following the date of issuance of the Old Notes, or

upon completion of the exchange offer, any initial purchaser shall so request in connection with any offering or sale of Notes.

We have agreed to use commercially reasonable efforts to keep the shelf registration statement continuously effective until the earlier of one year following its effective date and such time as all Notes covered by the shelf registration statement have been sold. We refer to this period as the shelf effectiveness period.

The registration rights agreement provides that, in the event that either the exchange offer is not completed or the shelf registration statement, if required, is not declared effective (or does not automatically become effective) on or prior to the 400th calendar day following the date of issuance of the Old Notes, the interest rate on the Old Notes will be increased by 1.00% per annum until the exchange offer is completed or the shelf registration statement is declared effective (or automatically becomes effective) under the Securities Act of 1933, at which time the increased interest shall cease to accrue.

If the shelf registration statement has been declared effective (or automatically becomes effective) and thereafter either ceases to be effective or the prospectus contained therein ceases to be usable for resales of the Notes at any time during the shelf effectiveness period, and such failure to remain effective or usable for resales of the Notes exists for more than 30 calendar days (whether or not consecutive) in any 12-month period, then the interest rate on the Old Notes will be increased by 1.00% per annum commencing on the 31st day in such 12-month period and ending on such date that the shelf registration statement has again been declared (or automatically becomes) effective or the prospectus again becomes usable, at which time the increased interest shall cease to accrue.

Holders of the Old Notes will be required to make certain representations to us (as described in the registration rights agreement) in order to participate in the exchange offer and will be required to deliver

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information to be used in connection with the shelf registration statement and to provide comments on the shelf registration statement within the time periods set forth in the registration rights agreement in order to have their Old Notes included in the shelf registration statement.

If we effect the registered exchange offer, we will be entitled to close the registered exchange offer 20 business days after its commencement as long as we have accepted all Old Notes validly tendered in accordance with the terms of the exchange offer and no brokers or dealers continue to hold any Old Notes.

This summary of the material provisions of the registration rights agreement does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the registration rights agreement, a copy of which is incorporated by reference into this prospectus.

Except as set forth above, after consummation of the exchange offer, holders of Old Notes which are the subject of the exchange offer have no registration or exchange rights under the registration rights agreement. See Consequences of Failure to Exchange.

Terms of the Exchange Offer

Subject to the terms and conditions described in this prospectus and in the letter of transmittal, we will accept for exchange any Old Notes properly tendered and not withdrawn prior to 5:00 p.m. New York City time on the expiration date. We will issue New Notes in principal amount equal to the principal amount of Old Notes surrendered in the exchange offer. Old Notes may be tendered only for New Notes and only in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

The exchange offer is not conditioned upon any minimum aggregate principal amount of Old Notes being tendered for exchange.

As of the date of this prospectus, \$1,500,000,000 in aggregate principal amount of the Old Notes is outstanding. This prospectus and the letter of transmittal are being sent to all registered holders of Old Notes. There will be no fixed record date for determining registered holders of Old Notes entitled to participate in the exchange offer.

We intend to conduct the exchange offer in accordance with the provisions of the registration rights agreement, the applicable requirements of the Securities Act of 1933 and the Securities Exchange Act of 1934 and the rules and regulations of the SEC. Old Notes that the holders thereof do not tender for exchange in the exchange offer will remain outstanding and continue to accrue interest. These Old Notes will continue to be entitled to the rights and benefits such holders have under the Indenture relating to the Notes.

We will be deemed to have accepted for exchange properly tendered Old Notes when we have given oral (promptly followed in writing) or written notice of the acceptance to the exchange agent and complied with the applicable provisions of the registration rights agreement. The exchange agent will act as agent for the tendering holders for the purposes of receiving the New Notes from us.

If you tender Old Notes in the exchange offer, you will not be required to pay brokerage commissions or fees or, subject to the letter of transmittal, transfer taxes with respect to the exchange of Old Notes. We will pay all charges and expenses, other than certain applicable taxes described below, in connection with the exchange offer. It is important that you read the section labeled Fees and Expenses for more details regarding fees and expenses incurred in the exchange offer.

We will return any Old Notes that we do not accept for exchange for any reason without expense to their tendering holder promptly after the expiration or termination of the exchange offer.

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Expiration Date

The exchange offer will expire at 5:00 p.m., New York City time, on _____, 2013, unless, in our sole discretion, we extend it.

Extensions, Delays in Acceptance, Termination or Amendment

We expressly reserve the right, at any time or various times, to extend the period of time during which the exchange offer is open. We may delay acceptance of any Old Notes by giving oral (promptly followed in writing) or written notice of such extension to their holders. During any such extensions, all Old Notes previously tendered will remain subject to the exchange offer, and we may accept them for exchange.

In order to extend the exchange offer, we will notify the exchange agent orally (promptly followed in writing) or in writing of any extension. We will notify the registered holders of Old Notes of the extension no later than 9:00 a.m., New York City time, on the business day after the previously scheduled expiration date.

If any of the conditions described below under **Conditions to the Exchange Offer** have not been satisfied, we reserve the right, in our sole discretion:

to delay accepting for exchange any Old Notes,

to extend the exchange offer, or

to terminate the exchange offer,

by giving oral (promptly followed in writing) or written notice of such delay, extension or termination to the exchange agent. Subject to the terms of the registration rights agreement, we also reserve the right to amend the terms of the exchange offer in any manner.

Any such delay in acceptance, extension, termination or amendment will be followed promptly by oral (promptly followed in writing) or written notice thereof to the registered holders of Old Notes. If we amend the exchange offer in a manner that we determine to constitute a material change, we will promptly disclose such amendment by means of a prospectus supplement. The supplement will be distributed to the registered holders of the Old Notes. Depending upon the significance of the amendment and the manner of disclosure to the registered holders, we may extend the exchange offer. In the event of a material change in the exchange offer, including the waiver by us of a material condition, we will extend the exchange offer period if necessary so that at least five business days remain in the exchange offer following notice of the material change.

Conditions to the Exchange Offer

We will not be required to accept for exchange, or exchange any New Notes for, any Old Notes if the exchange offer, or the making of any exchange by a holder of Old Notes, would violate applicable law or any applicable interpretation of the staff of the SEC. Similarly, we may terminate the exchange offer as provided in this prospectus before accepting Old Notes for exchange in the event of such a potential violation.

In addition, we will not be obligated to accept for exchange the Old Notes of any holder that has not made to us the representations described under **Purpose and Effect of the Exchange Offer**, **Procedures for Tendering** and **Plan of Distribution** and such other representations as may be reasonably necessary under applicable SEC rules, regulations or interpretations to allow us to use an appropriate form to register the New Notes under the Securities Act of 1933.

We expressly reserve the right to amend or terminate the exchange offer, and to reject for exchange any Old Notes not previously accepted for exchange, upon the occurrence of any of the conditions to the exchange offer

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specified above. We will give prompt oral (promptly followed in writing) or written notice of any extension, amendment, non-acceptance or termination to the holders of the Old Notes as promptly as practicable.

These conditions are for our sole benefit, and we may assert them or waive them in whole or in part at any time or at various times in our sole discretion. If we fail at any time to exercise any of these rights, this failure will not mean that we have waived our rights. Each such right will be deemed an ongoing right that we may assert at any time or at various times.

In addition, we will not accept for exchange any Old Notes tendered, and will not issue New Notes in exchange for any such Old Notes, if at such time any stop order has been threatened or is in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the Indenture relating to the Notes under the Trust Indenture Act of 1939.

Procedures for Tendering

In order to participate in the exchange offer, you must properly tender your Old Notes to the exchange agent as described below. It is your responsibility to properly tender your Old Notes. We have the right to waive any defects. However, we are not required to waive defects and are not required to notify you of defects in your tender.

If you have any questions or need help in exchanging your Old Notes, please call the exchange agent, whose address and phone number are set forth in Prospectus Summary The Exchange Offer Exchange Agent.

All of the Old Notes were issued in book-entry form, and all of the Old Notes are currently represented by global certificates held for the account of DTC. We have confirmed with DTC that the Old Notes may be tendered using the Automated Tender Offer Program (ATOP) instituted by DTC. The exchange agent will establish an account with DTC for purposes of the exchange offer promptly after the commencement of the exchange offer and DTC participants may electronically transmit their acceptance of the exchange offer by causing DTC to transfer their Old Notes to the exchange agent using the ATOP procedures. In connection with the transfer, DTC will send an agent's message to the exchange agent. The agent's message will be deemed to state that DTC has received instructions from the participant to tender Old Notes and that the participant agrees to be bound by the terms of the letter of transmittal.

By using the ATOP procedures to exchange Old Notes, you will not be required to deliver a letter of transmittal to the exchange agent. However, you will be bound by its terms just as if you had signed it.

There is no procedure for guaranteed late delivery of the Old Notes.

Determinations Under the Exchange Offer

We will determine in our sole discretion all questions as to the validity, form, eligibility, time of receipt, acceptance of tendered Old Notes and withdrawal of tendered Old Notes. Our determination will be final and binding. We reserve the absolute right to reject any Old Notes not properly tendered or any Old Notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defect, irregularities or conditions of tender as to particular Old Notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, all defects or irregularities in connection with tenders of Old Notes must be cured within such time as we shall determine. Although we intend to notify holders of defects or irregularities with respect to tenders of Old Notes, neither we, the exchange agent nor any other person will incur any liability for failure to give such notification. Tenders of Old Notes will not be deemed made until such defects or irregularities have been cured or waived. Any Old Notes received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned to the tendering holder, unless otherwise provided in the letter of transmittal, promptly following the expiration date.

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When We Will Issue New Notes

In all cases, we will issue New Notes for Old Notes that we have accepted for exchange under the exchange offer only after the exchange agent timely receives:

a book-entry confirmation of such Old Notes into the exchange agent's account at DTC; and

a properly transmitted agent's message.

Return of Old Notes Not Accepted or Exchanged

If we do not accept any tendered Old Notes for exchange or if Old Notes are submitted for a greater principal amount than the holder desires to exchange, the unaccepted or non-exchanged Old Notes will be returned without expense to their tendering holder. Such non-exchanged Old Notes will be credited to an account maintained with DTC. These actions will occur promptly after the expiration or termination of the exchange offer.

Your Representations to Us

By agreeing to be bound by the letter of transmittal, you will represent to us that, among other things:

any New Notes that you receive will be acquired in the ordinary course of your business;

you have no arrangement or understanding with any person or entity to participate in the distribution of the New Notes;

you are not our affiliate, as defined in Rule 405 of the Securities Act of 1933; and

if you are a broker-dealer that will receive New Notes for your own account in exchange for Old Notes, you acquired those Notes as a result of market-making activities or other trading activities and you will deliver a prospectus (or to the extent permitted by law, make available a prospectus) in connection with any resale of such New Notes.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, you may withdraw your tender at any time prior to 5:00 p.m. New York City time on the expiration date. For a withdrawal to be effective you must comply with the appropriate procedures of DTC's ATOP system. Any notice of withdrawal must specify the name and number of the account at DTC to be credited with withdrawn Old Notes and otherwise comply with the procedures of DTC.

We will determine all questions as to the validity, form, eligibility and time of receipt of notice of withdrawal. Our determination shall be final and binding on all parties. We will deem any Old Notes so withdrawn not to have been validly tendered for exchange for purposes of the exchange offer.

Any Old Notes that have been tendered for exchange but are not exchanged for any reason will be credited to an account maintained with DTC for the Old Notes. This crediting will take place as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. You may retender properly withdrawn Old Notes by following the procedures described under Procedures for Tendering above at any time prior to 5:00 p.m., New York City time, on the expiration date.

Fees and Expenses

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We will bear the expenses of soliciting tenders. The principal solicitation is being made by mail; however, we may make additional solicitation by facsimile, telephone, electronic mail or in person by our officers and regular employees and those of our affiliates.

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We have not retained any dealer-manager in connection with the exchange offer and will not make any payments to broker-dealers or others soliciting acceptances of the exchange offer. We will, however, pay the exchange agent reasonable and customary fees for its services and reimburse it for its related reasonable out-of-pocket expenses.

We will pay the cash expenses to be incurred in connection with the exchange offer. They include:

all registration and filing fees and expenses;

all fees and expenses of compliance with federal securities and state blue sky or securities laws;

accounting fees, legal fees incurred by us, disbursements and printing, messenger and delivery services, and telephone costs; and

related fees and expenses.

Transfer Taxes

We will pay all transfer taxes, if any, applicable to the exchange of Old Notes under the exchange offer. The tendering holder, however, will be required to pay any transfer taxes, whether imposed on the registered holder or any other person, if a transfer tax is imposed for any reason other than the exchange of Old Notes under the exchange offer.

Consequences of Failure to Exchange

If you do not exchange New Notes for your Old Notes under the exchange offer, you will remain subject to the existing restrictions on transfer of the Old Notes. In general, you may not offer or sell the Old Notes unless the offer or sale is either registered under the Securities Act of 1933 or exempt from registration under the Securities Act of 1933 and applicable state securities laws. Except as required by the registration rights agreement, we do not intend to register resales of the Old Notes under the Securities Act of 1933.

Accounting Treatment

We will record the New Notes in our accounting records at the same carrying value as the Old Notes. This carrying value is the aggregate principal amount of the Old Notes plus or minus any bond premium or discount, as reflected in our accounting records on the date of exchange. Accordingly, we will not recognize any gain or loss for accounting purposes in connection with the exchange offer.

Other

Participation in the exchange offer is voluntary, and you should carefully consider whether to accept. You are urged to consult your financial and tax advisors in making your own decision on what action to take.

We may in the future seek to acquire untendered Old Notes in open market or privately negotiated transactions, through subsequent exchange offers or otherwise. We have no present plans to acquire any Old Notes that are not tendered in the exchange offer or to file a registration statement to permit resales of any untendered Old Notes.

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The following table sets forth our ratio of earnings to fixed charges for the periods presented:

	Year Ended December 31,					
	Pro forma					
	2012	2012	2011	2010	2009	2008
Ratio of earnings to fixed charges	5.2x(1)	9.2x	10.0x	5.9x	5.7x	43.5x

- (1) Because the net proceeds of the offering of the Old Notes were used to repay indebtedness and because of the increase in interest related to the Old Notes, our ratio of earnings to fixed charges changed by 10% or more. After giving effect to the application of the net proceeds of the offering of the Old Notes, our pro forma ratio of earnings to fixed charges for the year ended December 31, 2012 would have been 5.2x.

For purposes of computing the ratio of earnings to fixed charges, earnings consists of pretax income from continuing operations plus fixed charges (excluding capitalized interest). Fixed charges represents interest incurred (whether expensed or capitalized), amortization of debt expense and that portion of rental expense on operating leases deemed to be the equivalent of interest.

We did not have any preferred stock outstanding and there were no preferred stock dividends paid or accrued during the periods presented above.

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USE OF PROCEEDS

The exchange offer is intended to satisfy our obligations under the registration rights agreement. We will not receive any proceeds from the issuance of the New Notes in the exchange offer. In consideration for issuing the New Notes as contemplated by this prospectus, we will receive Old Notes in a like principal amount. The form and terms of the New Notes are identical in all respects to the form and terms of the Old Notes, except the New Notes will be registered under the Securities Act of 1933 and will not contain restrictions on transfer, registration rights or provisions for additional interest. Old Notes surrendered in exchange for the New Notes will be retired and cancelled and will not be reissued. Accordingly, the issuance of the New Notes will not result in any change in outstanding indebtedness.

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DESCRIPTION OF NOTES

Continental Resources, Inc. issued the Old Notes and will issue the New Notes under the Indenture. The terms of the New Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (the *Trust Indenture Act*).

The following description is only a summary of certain material provisions of the Notes and the Indenture. This summary is not a complete description of all the provisions of the Notes and is subject to, and is qualified in its entirety by reference to, the Notes and the Indenture. For more information, we refer you to the Notes and the Indenture, all of which you may request copies of at our address set forth under the heading *Where You Can Find More Information; Incorporation by Reference*. Defined terms used but not otherwise defined in this section shall have the meanings assigned to such terms in the Indenture.

In this description, the words *Continental Resources*, *Company*, *our*, *us* and *we* refer only to Continental Resources, Inc. and not to any of its subsidiaries.

General

The New Notes will be general unsecured senior obligations of Continental Resources and will be guaranteed by the Guarantors as described below under *Guarantees*. The New Notes will rank *pari passu* in right of payment with all existing and future Senior Indebtedness of Continental Resources and rank senior in right of payment to all future subordinated Indebtedness of Continental Resources.

Interest on the Notes accrues from April 5, 2013 at an annual rate of 4 ¹/₂% and is payable semi-annually in arrears on April 15 and October 15 of each year, commencing October 15, 2013, to the Holders of record of the Notes at the close of business on April 1 and October 1, respectively, preceding such interest payment date. Interest is computed on the basis of a 360-day year consisting of twelve 30-day months. Initially, the Trustee has acted as paying agent and registrar for the Notes.

If the exchange offer contemplated by this prospectus is consummated, holders of Old Notes who do not exchange those Old Notes for New Notes in the exchange offer will vote together with holders of New Notes for all relevant purposes under the Indenture. In that regard, the Indenture requires that certain actions by the holders thereunder must be taken, and certain rights must be exercised, by specified minimum percentages of the aggregate principal amount of the outstanding securities issued under the Indenture. In determining whether holders of the requisite percentage in principal amount have given any notice, consent or waiver or taken any other action permitted under the Indenture, any Old Notes that remain outstanding after the exchange offer will be aggregated with the New Notes, and the holders of such Old Notes and the New Notes will vote together as a single class for all such purposes. Accordingly, all references herein to specified percentages in aggregate principal amount of the Notes outstanding shall be deemed to mean, at any time after the exchange offer is consummated, such percentages in aggregate principal amount of the Old Notes and the New Notes then outstanding.

Further Issuances

We may from time to time, without notice or the consent of the Holders of the Notes, create and issue further notes of a series ranking equally and ratably with the original notes in all respects (or in all respects except for the payment of interest accruing prior to the issue date of such further notes, the public offering price and the issue date), so that such further notes form a single series with the original notes and have the same terms as to status, redemption or otherwise as the original notes; *provided, however*, if the further notes are not fungible with the notes for U.S. federal income tax purposes, such further notes will have a different CUSIP number.

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Optional Redemption

At any time prior to January 15, 2023, we are entitled at our option to redeem the Notes, in whole or in part, at a redemption price equal to the Make-Whole Price, plus accrued and unpaid interest, if any, to the redemption date (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date).

At any time on or after January 15, 2023 (three months prior to the Maturity Date of the Notes), we are entitled at our option to redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Notes being redeemed, plus accrued and unpaid interest, if any, to the redemption date.

Notice of redemption of the Notes must be given to each Holder of the Notes not less than 30 nor more than 60 days prior to the redemption date in accordance with the Indenture.

Notice and Selection

Once a notice of redemption is given in accordance with the Indenture, Notes called for redemption become due and payable on the applicable redemption date at the applicable redemption price. Any notice of redemption for the Notes will state, among other things, the aggregate principal amount and the Notes to be redeemed, the redemption date, the redemption price and the name and address of the Paying Agent. If less than all of the Notes are redeemed at any time, the Trustee will select the Notes to be redeemed on a pro rata basis, by lot or, if the Notes are listed on any securities exchange, by any other method that complies with the requirements of such exchange; *provided, however*, that no Notes with a principal amount of \$2,000 or less will be redeemed in part. Unless we default in payment of the applicable redemption price, interest on the Notes to be redeemed will cease to accrue on the applicable redemption date, whether or not such Notes are presented for payment.

Certain Definitions

Make-Whole Amount with respect to a Note means an amount equal to any excess of (i) the present value of the remaining principal, any premium, and any interest payments due on such Note (excluding any portion of such payments of interest accrued as of the redemption date) as if such Note were redeemed on the Maturity Date (as defined in the Indenture) applicable to the Notes, computed using a discount rate equal to the Treasury Rate plus 50 basis points over (ii) the outstanding principal amount of such Note.

Make-Whole Average Life means the number of years (calculated to the nearest one-twelfth) between the date of redemption and the Maturity Date applicable to the Notes.

Make-Whole Price means the sum of the outstanding principal amount of the Notes to be redeemed plus the Make-Whole Amount of such Notes.

Treasury Rate means the yield to maturity (calculated on a semi-annual bond equivalent basis) at the time of the computation of United States Treasury securities with a constant maturity (as compiled by and published in the most recent Federal Reserve Statistical Release H.15 (519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities"), which has become publicly available at least two Business Days prior to the date of the redemption notice or, if such Federal Reserve Statistical Release is no longer published, any publicly available source of similar market data) most nearly equal to the then remaining maturity of the Notes assuming redemption of the Notes on the Maturity Date applicable to the Notes; *provided, however*, that if the Make-Whole Average Life of such Notes is not equal to the constant maturity of the United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation or extrapolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which

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such yields are given, except that if the Make-Whole Average Life of such Notes is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

Business Day means any day on which the New York Stock Exchange is open for trading and which is not a Legal Holiday.

Legal Holiday is a Saturday, a Sunday or a day on which banks and trust companies in The City of New York are not required by law or executive order to be open.

Guarantees

Payment of the principal, premium, if any, and interest on the Notes, when and as the same become due and payable, are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis (the *Guarantees*) by the Guarantors. Banner Pipeline Company, L.L.C. and CLR Asset Holdings, LLC, Subsidiaries of the Company, are the initial Guarantors. However, in the circumstances described under

Certain Covenants Issuances of Guarantees by Restricted Subsidiaries, the Company will cause certain future Restricted Subsidiaries to enter into a supplemental indenture pursuant to which each such Restricted Subsidiary shall agree to guarantee the Company's obligations under the Notes jointly and severally with any other Guarantors, fully and unconditionally, on a senior unsecured basis. Unrestricted Subsidiaries will not become Guarantors. For the purposes of the Indenture, the Company's Subsidiary, 20 Broadway Associates LLC has been designated an Unrestricted Subsidiary and, as such, does not guarantee the Notes.

The obligations of each Guarantor under its Guarantee will be limited to the maximum amount which, after giving effect to all other contingent and fixed liabilities of such Guarantor, and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Guarantee or pursuant to its contribution obligations under the Indenture, will result in the obligations of such Guarantor under its Guarantee not constituting a fraudulent conveyance or fraudulent transfer under Federal or state law. See Risk Factors Risks Relating to the Notes Any guarantees of the Notes by our subsidiaries could be deemed fraudulent conveyances under certain circumstances, and a court may subordinate or void the subsidiary guarantees. Each Guarantor that makes a payment or distribution under its Guarantee will be entitled to a contribution from each other Guarantor in a pro rata amount based on the net assets of each Guarantor determined in accordance with GAAP.

The Guarantee of a Guarantor will be released automatically with respect to the Notes if:

(A) in connection with any sale or other disposition of (i) all of the Capital Stock of such Guarantor or (ii) all or substantially all of the properties or assets of such Guarantor (including by way of merger or consolidation), in each case to one or more Persons that are not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary;

(B) if such Guarantor is a Restricted Subsidiary, the Company properly designates such Guarantor as an Unrestricted Subsidiary;

(C) if the Guarantee was required pursuant to the terms of the Indenture described under Certain Covenants Issuances of Guarantees by Restricted Subsidiaries, the cessation of the circumstances requiring such Guarantee;

(D) if the Notes are discharged in accordance with the procedures described below under Legal Defeasance and Covenant Defeasance or Satisfaction and Discharge; or

(E) upon the liquidation or dissolution of such Guarantor;

provided that any such release and discharge pursuant to clauses (A), (B), (C) and (D) above shall occur only to the extent that all obligations of such Guarantor under all of its guarantees of, and under all of its pledges of assets or other security interests which secure any, Indebtedness of the Company shall also terminate at such time.

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Ranking

Senior Indebtedness versus Notes. The Indebtedness evidenced by the Notes and the Guarantees are unsecured and rank *pari passu* in right of payment to all Senior Indebtedness of Continental Resources and the Guarantors, as the case may be. After giving effect to the application of the net proceeds of the offering of the Old Notes, as of December 31, 2012, Continental Resources and the Guarantors would have had an aggregate of \$4.4 billion of Senior Indebtedness outstanding.

Secured Indebtedness versus Notes. Secured debt and other secured obligations of Continental Resources and the Guarantors (including obligations with respect to the Senior Credit Agreement and any other Credit Facility that we may from time to time enter into) are effectively senior to the Notes and the Guarantors' Guarantee thereof to the extent of the value of the assets securing such debt or other obligations. Although the Indenture limits the incurrence of certain Funded Debt that is secured Indebtedness, such limitations are subject to a number of significant qualifications, and the Indenture does not limit the incurrence of secured obligations other than certain Funded Debt or the incurrence of unsecured Indebtedness. After giving effect to the application of the net proceeds of the offering of the Old Notes, as of December 31, 2012, Continental Resources and the Guarantors would have had no secured debt outstanding. See Risk Factors Risks Relating to the Notes The Notes will be effectively junior in right of payment to our existing and future secured debt and that of our guarantors.

Liabilities of non-Guarantor Subsidiaries versus Notes. Banner Pipeline Company, L.L.C. and CLR Asset Holdings, LLC, both of which are Subsidiaries of the Company, guarantee the Notes. However, the Company's Subsidiary 20 Broadway Associates LLC has been designated as an Unrestricted Subsidiary for purposes of the Indenture and, as such, does not guarantee the Notes, and one or more future Subsidiaries of the Company may not guarantee the Notes. The assets of any Subsidiary of the Company that does not guarantee the Notes will be subject to the prior claims of all creditors of that Subsidiary, including trade creditors. In the event of a bankruptcy, administrative receivership, composition, insolvency, liquidation or reorganization of any of the non-guarantor Subsidiaries, such Subsidiaries will pay the holders of their liabilities, including trade payables, before they will be able to distribute any of their assets to the Company or a Guarantor. As of December 31, 2012, 20 Broadway Associates LLC had approximately \$20.4 million of indebtedness. See Risk Factors Risks Relating to the Notes Claims of holders of the Notes will be structurally subordinate to claims of creditors of our non-guarantor subsidiaries.

Change of Control

If a Change of Control occurs, each Holder of Notes will have the right to require that the Company purchase all or any part (in amounts of \$1,000 or whole multiples of \$1,000 in excess thereof) of such Holder's Notes pursuant to the offer described below (the *Change of Control Offer*). In the Change of Control Offer, the Company will offer to purchase all of the Notes, at a purchase price (the *Change of Control Purchase Price*) in cash in an amount equal to 101% of the principal amount of such Notes, plus accrued and unpaid interest, if any, to the date of purchase (the *Change of Control Purchase Date*), subject to the rights of Holders of record on relevant record dates to receive interest due on an interest payment date.

Within 30 days after any Change of Control or, at the Company's option, prior to such Change of Control but after it is publicly announced, the Company must notify the Trustee and give written notice of the Change of Control to each Holder of Notes, by first-class mail, postage prepaid, at such Holder's address appearing in the security register. The notice must state, among other things:

that a Change of Control has occurred or will occur and the date of such event;

the circumstances and relevant facts regarding such Change of Control;

the Change of Control Purchase Price and the Change of Control Purchase Date, which shall be fixed by the Company on a business day no earlier than 30 days nor later than 60 days from the date the

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notice is mailed, or such later date as is necessary to comply with requirements under the Exchange Act; *provided* that the Change of Control Purchase Date may not occur prior to the Change of Control;

that any Note not tendered will continue to accrue interest;

that, unless the Company defaults in the payment of the Change of Control Purchase Price, any Notes accepted for payment pursuant to the Change of Control Offer shall cease to accrue interest after the Change of Control Purchase Date; and

other procedures that a Holder of Notes must follow to accept a Change of Control Offer or to withdraw acceptance of the Change of Control Offer.

If a Change of Control Offer is made, the Company may not have available funds sufficient to pay the Change of Control Purchase Price for all of the Notes that might be delivered by Holders of the Notes seeking to accept the Change of Control Offer. The failure of the Company to make or consummate the Change of Control Offer or pay the Change of Control Purchase Price when due will give the Trustee and the Holders of the Notes the rights described under Events of Default.

The Senior Credit Agreement provides that the occurrence of certain change of control events with respect to the Company would constitute a default thereunder, which would permit the lenders under the Senior Credit Agreement to accelerate the maturity of such Indebtedness. If such acceleration occurred, then the Company would be obligated to repay amounts outstanding under such Indebtedness and a default would result under the Indenture. Any future credit agreements or agreements relating to other Indebtedness to which the Company becomes a party may contain similar restrictions and provisions. In the event a Change of Control occurs at a time when the Company is prohibited from purchasing Notes, the Company could seek the consent of the lenders under those agreements to the purchase of the Notes or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain such a consent or repay such borrowings, the Company will remain so prohibited from purchasing Notes. In such case, the Company's failure to purchase tendered Notes would constitute an Event of Default under the Indenture which would, in turn, likely constitute a default under such other Indebtedness. See Risk Factors Risks Relating to Notes We may not be able to repurchase the Notes in certain circumstances.

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Company. The term all or substantially all as used in the definition of Change of Control has not been interpreted under New York law (which is the governing law of the Indenture) to represent a specific quantitative test. Therefore, if Holders of the Notes elected to exercise their rights under the Indenture and the Company elected to contest such election, it is not clear how a court interpreting New York law would interpret the phrase.

The existence of a Holder's right to require the Company to repurchase such Holder's Notes upon a Change of Control may deter a third party from acquiring the Company in a transaction which constitutes a Change of Control.

The provisions of the Indenture do not afford Holders of the Notes the right to require the Company to repurchase the Notes in the event of a highly leveraged transaction or certain transactions with the Company's management or its affiliates, including a reorganization, restructuring, merger or similar transaction (including, in certain circumstances, an acquisition of the Company by management or its affiliates) involving the Company that may adversely affect Holders of the Notes, if such transaction is not a transaction defined as a Change of Control. A transaction involving the Company's management or its affiliates, or a transaction involving a recapitalization of the Company, will result in a Change of Control if it is the type of transaction specified by such definition.

The Company will comply with the applicable tender offer rules, including Rule 14e-1 under the Exchange Act, and any other applicable securities laws or regulations in connection with a Change of Control Offer. To the

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extent that the provisions of any securities laws or regulations conflict with the provisions relating to a Change of Control Offer, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described above by virtue thereof.

The Company will not be required to make a Change of Control Offer (1) upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements described in the Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer or (2) if notice of redemption for 100% of the aggregate principal amount of the outstanding Notes has been given pursuant to the Indenture as described under the caption *Optional Redemption*, unless and until there is a default in payment of the applicable redemption price.

In the event that Holders of not less than 90% of the aggregate principal amount of the outstanding Notes accept a Change of Control Offer and the Company purchases all of the Notes held by such Holders, the Company will have the right, upon not less than 30 nor more than 60 days prior notice, given not more than 30 days following the purchase pursuant to the Change of Control Offer described above, to redeem all of the Notes that remain outstanding following such purchase at a redemption price equal to 101% of the aggregate principal amount of Notes redeemed plus accrued and unpaid interest, if any, thereon to the date of redemption, subject to the right of the Holders of record on relevant record dates to receive interest due on an interest payment date.

Certain Covenants

Limitation on Liens Securing Funded Debt. The Company, for the benefit of the Notes (1) will not, and will not permit any Restricted Subsidiary to, create, incur or assume any Funded Debt secured by any Liens (other than Permitted Liens) upon any of the properties of the Company or any Restricted Subsidiary and (2) will not, and will not permit any Subsidiary to, create, incur or assume any Funded Debt secured by any Liens (other than Permitted Liens) upon the Capital Stock of any Restricted Subsidiary or the Capital Stock of any Subsidiary that owns, directly or indirectly through ownership in another Subsidiary, the Capital Stock of any Restricted Subsidiary, unless (as to each of clauses (1) and (2)) the Notes or the Guarantee (if any) of such Restricted Subsidiary, as applicable, (together with, if the Company shall so determine, any other Indebtedness or other obligation of the Company or such Restricted Subsidiary which is not subordinate in right of payment to the prior payment in full of the Notes) are equally and ratably secured for so long as such Funded Debt shall be so secured; *provided* that if such Funded Debt is expressly subordinated to the Notes or a related Guarantee, if any, the Lien securing such Funded Debt will be subordinated and junior to the Lien securing such Notes or such Guarantee. Notwithstanding the foregoing provisions, the Company or any Subsidiary may create, incur or assume Funded Debt secured by Liens which would otherwise be subject to the restrictions of such section, if the aggregate principal amount of such Funded Debt and all other Funded Debt of the Company and any Subsidiary theretofore created, incurred or assumed pursuant to the exception in this sentence and outstanding at such time does not exceed 15% of the Adjusted Consolidated Net Tangible Assets of the Company (the *Secured Debt Basket*).

Limitation on Sale/Leaseback Transactions. The Company will not, and will not permit any Restricted Subsidiary to, enter into any Sale/Leaseback Transaction with any Person (other than the Company or any other Subsidiary) unless:

(A) the Company or such Restricted Subsidiary would be entitled to incur Funded Debt secured by Liens in a principal amount equal to the Attributable Indebtedness (treated as if such Attributable Indebtedness were Funded Debt) with respect to such Sale/Leaseback Transaction in accordance with the covenant captioned *Limitation on Liens Securing Funded Debt* ; *provided, however*, that Attributable Indebtedness in respect of any Sale/Leaseback Transaction entered into pursuant to this clause (A) shall not count against the amount of Funded Debt permitted under the Secured Debt Basket for any other purpose, including when determining the amount available thereunder for future Sale/ Leaseback Transactions or any Funded Debt transactions; or

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(B) the Company or such Restricted Subsidiary receives proceeds from such Sale/Leaseback Transaction at least equal to the fair market value thereof (as determined in good faith by the Company) and such proceeds are applied in accordance with the following two paragraphs:

The Company may apply Net Available Proceeds from such Sale/Leaseback Transaction, within 365 days following the receipt of Net Available Proceeds from the Sale/Leaseback Transaction, to:

(1) the repayment of Indebtedness of the Company or a Restricted Subsidiary under Credit Facilities or other Senior Indebtedness, including any mandatory redemption or repurchase or make-whole redemption of the Existing Notes or the Notes;

(2) make an Investment in assets used in the Oil and Gas Business; or

(3) develop by drilling the Company's oil and gas reserves;

provided, that the Company will be deemed to have complied with clause (2) or clause (3) of this paragraph, as applicable, if, within 365 days of such Sale/Leaseback Transaction, the Company shall have commenced and not completed or abandoned an Investment or development within the scope of such clause (2) or clause (3), respectively, or shall have executed a binding agreement with respect to an Investment or development within the scope of such clause (2) or clause (3), respectively, and such Investment or development is substantially completed within a date one year and six months after the date of such Sale/Leaseback Transaction.

If, upon completion of the 365-day period, any portion of the Net Available Proceeds shall not have been applied by the Company as described in clauses (1), (2) or (3) in the immediately preceding paragraph and such remaining Net Available Proceeds, together with any remaining net cash proceeds from any prior Sale/Leaseback Transaction (such aggregate constituting *Excess Proceeds*), exceed \$20.0 million, then the Company will be obligated to make an offer (the *Net Proceeds Offer*) to purchase the Notes and any other Senior Indebtedness in respect of which such an offer to purchase is also required to be made concurrently with the Net Proceeds Offer having an aggregate principal amount equal to the Excess Proceeds (such purchase to be made on a pro rata basis if the amount available for such repurchase is less than the principal amount of the Notes and other such Senior Indebtedness tendered in such Net Proceeds Offer) at a purchase price of 100% of the principal amount thereof plus accrued interest thereon to the date of repurchase. Upon the completion of the Net Proceeds Offer, the amount of Excess Proceeds will be reset to zero.

Within 15 days after the Company becomes obligated to make a Net Proceeds Offer (a *Net Proceeds Offer Triggering Event*), the Company will mail or cause to be mailed to all Holders on the date of the Net Proceeds Offer Triggering Event a notice of the occurrence of such Net Proceeds Offer Triggering Event and of the Holders' rights arising as a result thereof.

The Net Proceeds Offer will be deemed to have commenced upon mailing of the Offer Notice and will terminate 20 business days after its commencement, unless a longer offering period is required by law. Promptly after the termination of the offer, the Company will purchase and mail or deliver payment for all Notes tendered and accepted in response to the offer.

On the payment date, the Company will, to the extent lawful, (a) accept for payment Notes or portions thereof tendered pursuant to the Net Proceeds Offer, (b) deposit with the paying agent an amount equal to the payment in respect of all Notes or portions thereof so tendered and (c) deliver to the Trustee the Notes so accepted together with an officers' certificate stating the Notes or portions thereof tendered to the Company. The Depositary, the Company or the paying agent will promptly mail or deliver to each Holder of Notes so accepted payment in an amount equal to the purchase price for such Notes, and the Trustee will promptly authenticate and mail or deliver to each Holder new Notes equal in principal amount to any unpurchased portion of the Notes surrendered, if any, *provided* that each such new Notes will be in a principal amount of \$2,000 or integral multiples of \$1,000 in excess thereof.

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The Company will comply with the applicable tender offer rules, including Rule 14e-1 under the Exchange Act, and any other applicable securities laws or regulations in connection with a Net Proceeds Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions relating to a Net Proceeds Offer, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described above by virtue thereof.

Issuances of Guarantees by Restricted Subsidiaries. The Company will provide to the Trustee, on or prior to the 90th day after the date that (a) any Person becomes a Wholly Owned Restricted Subsidiary after the Issue Date (excluding any Foreign Subsidiary and any Immaterial Subsidiary), (b) any Unrestricted Subsidiary is redesignated as a Restricted Subsidiary (excluding any Foreign Subsidiary and any Immaterial Subsidiary), or (c) any Restricted Subsidiary of the Company (which is not a Guarantor) becomes a guarantor or obligor in respect of any Indebtedness of the Company or any of the Guarantors, in each case, a supplemental indenture to the Indenture, executed by such Restricted Subsidiary, providing for a full and unconditional guarantee on a senior unsecured basis by such Restricted Subsidiary of the Company's obligations under the Notes and the Indenture to the same extent as that set forth in the Indenture.

Unrestricted Subsidiaries. The Board of Directors of the Company may after the Issue Date designate any Subsidiary as an Unrestricted Subsidiary under the Indenture (a *Designation*) only if:

- (A) no Default or Event of Default shall have occurred and be continuing at the time of or after giving effect to such Designation;
- (B) such Unrestricted Subsidiary does not own any Capital Stock in any Restricted Subsidiary of the Company which is not simultaneously being designated an Unrestricted Subsidiary;
- (C) such Unrestricted Subsidiary is not liable, directly or indirectly, with respect to any Indebtedness other than Unrestricted Subsidiary Indebtedness; *provided* that an Unrestricted Subsidiary may provide a Guarantee for the Notes; and
- (D) such Unrestricted Subsidiary is not a party to any agreement, contract, arrangement or understanding at such time with the Company or any Restricted Subsidiary unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company.

The Company shall not and shall not cause or permit any Restricted Subsidiary to at any time:

- (1) provide credit support for, guarantee or subject any of its property or assets (other than the Capital Stock of any Unrestricted Subsidiary) to the satisfaction of, any Indebtedness of any Unrestricted Subsidiary (including any undertaking, agreement or instrument evidencing such Indebtedness); or
- (2) be directly or indirectly liable for any Indebtedness of any Unrestricted Subsidiary (other than, with respect to clauses (1) and (2), any such Indebtedness (x) outstanding on the date hereof or (y) incurred to finance property and improvements constituting the Company's corporate headquarters or other principal place of business).

For purposes of the foregoing, the Designation of a Subsidiary of the Company as an Unrestricted Subsidiary shall be deemed to be the Designation of all present and future Subsidiaries of such Subsidiary as Unrestricted Subsidiaries. Unless so designated as an Unrestricted Subsidiary, any Person that becomes a Subsidiary of the Company will be classified as a Restricted Subsidiary.

The Company may revoke any Designation of a Subsidiary as an Unrestricted Subsidiary (a *Revocation*) if:

- (A) no Default or Event of Default shall have occurred and be continuing at the time of and after giving effect to such Revocation; and

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(B) all Liens and Indebtedness of such Unrestricted Subsidiary outstanding immediately following such Revocation would, if incurred at such time, have been permitted to be incurred for all purposes of the Indenture.

All Designations and Revocations must be evidenced by a resolution of the Board of Directors of the Company delivered to the Trustee certifying compliance with the foregoing provisions of this covenant.

Limitations on Mergers and Consolidations. The Company will not consolidate or merge with or into any Person, or sell, convey, lease or otherwise dispose of all or substantially all of its assets to any Person, unless:

(1) the Person formed by or surviving such consolidation or merger (if other than the Company), or to which such sale, lease, conveyance or other disposition shall be made (collectively, the *Successor*), is a corporation, limited liability company, general partnership or limited partnership organized and existing under the laws of the United States or any state thereof or the District of Columbia and the Successor assumes by supplemental indenture all of the obligations of the Company under the Indenture; *provided* that unless the Successor is a corporation, a corporate co-issuer of the Notes will be added to the Indenture by such supplemental indenture; and

(2) immediately after giving effect to such transaction, no Event of Default shall have occurred and be continuing.

Except as provided under the third paragraph of Guarantees, no Guarantor may consolidate or merge with or into (whether or not such Guarantor is the surviving Person) another Person unless:

(1) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) assumes all the obligations of such Subsidiary Guarantor under the Indenture and the Notes pursuant to a supplemental indenture; and