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Oasis Petroleum Inc.  
Form 424B2  
March 06, 2015

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Amount to be Registered(1)	Proposed Maximum Aggregate Offering Price Per Share(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(2)
Common Stock	36,800,000	\$12.800	\$471,040,000	\$54,734.85

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

This filing fee is calculated and being paid pursuant to Rule 457(r) of the Securities Act of 1933, as amended, and (2) relates to the registration statement on Form S-3 (File No. 333-197440) filed by Oasis Petroleum Inc. on July 15, 2014.

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Filed Pursuant to Rule 424(b)(2)  
 Registration No. 333-197440

PROSPECTUS SUPPLEMENT TO PROSPECTUS DATED JULY 15, 2014

32,000,000 Shares  
 Common Stock

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

Our common stock is listed on the New York Stock Exchange under the symbol "OAS." On March 3, 2015, the last reported trading price of our common stock as reported on the New York Stock Exchange was \$13.84 per share. Entities affiliated with one of our material beneficial owners (SPO Advisory Corp.) have agreed to purchase 8,000,000 shares of the common stock offered in this offering at the initial price offered to the public. We expect affiliates of SPO Advisory Corp. will own slightly in excess of 15% of our outstanding common stock following this offering. Investing in our common stock involves risk. See "Risk Factors" beginning on page S-4 of this prospectus supplement.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to Us
Per Share	\$12.8000	\$0.2154	\$12.5846
Total	\$409,600,000	\$6,892,800	\$402,707,200

The underwriters also have the option to purchase up to an additional 4,800,000 shares from us, at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement.

The shares are expected to be ready for delivery on or about March 9, 2015.

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

Any representation to the contrary is a criminal offense.

Joint Book-Running Managers

Credit Suisse

J.P. Morgan

The date of this prospectus is March 4, 2015

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## ABOUT THIS PROSPECTUS SUPPLEMENT

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

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

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

## WHERE YOU CAN FIND MORE INFORMATION

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

Our filings are also available to the public through the SEC’s website at [www.sec.gov](http://www.sec.gov).

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

- our Annual Report on Form 10-K for the year ended December 31, 2014;
  - our Current Report on Form 8-K filed on January 30, 2015 (excluding any information furnished pursuant to Item 2.02 or Item 7.01 of any such Current Report on Form 8-K); and
  - the description of our common stock contained in our Registration Statement on Form 8-A12B filed on June 14, 2010, including any amendment to that form for the purpose of updating the description of our common stock.
- These reports contain important information about us, our financial condition and our results of operations. All future documents filed pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act (excluding any information furnished pursuant to Item 2.02 or Item 7.01 on any Current Report on Form 8-K) before the

termination of the offering of securities under this prospectus supplement shall be deemed to be incorporated in this prospectus supplement by reference and to be a part hereof from the date of filing of such documents. Any statement contained herein, or in a document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

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

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

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

#### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the “Securities Act”) and Section 21E of the Exchange Act. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control. All statements, other than statements of historical fact included in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein, the words “could,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “may,” “continue,” “predict,” “potential,” “project” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Forward-looking statements may include statements about:

- our business strategy;
- estimated future net reserves and present value thereof;
- timing and amount of future production of oil and natural gas;
- drilling and completion of wells;
- estimated inventory of wells remaining to be drilled and completed;
- costs of exploiting and developing our properties and conducting other operations;
- availability of drilling, completion and production equipment and materials;
- availability of qualified personnel;
- owning and operating well services and midstream companies;
- infrastructure for salt water disposal;

gathering, transportation and marketing of oil and natural gas, both in the Williston Basin and other regions in the United States;

property acquisitions;

integration and benefits of property acquisitions or the effects of such acquisitions on our cash position and levels of indebtedness;

the amount, nature and timing of capital expenditures;

availability and terms of capital;

our financial strategy, budget, projections, execution of business plan and operating results;

cash flows and liquidity;

oil and natural gas realized prices;

general economic conditions;

operating environment, including inclement weather conditions;

effectiveness of risk management activities;

competition in the oil and natural gas industry;

counterparty credit risk;

environmental liabilities;

governmental regulation and the taxation of the oil and natural gas industry;

developments in oil-producing and natural gas-producing countries;

technology;

uncertainty regarding future operating results; and

plans, objectives, expectations and intentions contained in this prospectus that are not historical.

All forward-looking statements speak only as of the date of this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein. We disclaim any obligation to update or revise these statements unless required by securities law, and you should not place undue reliance on these forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference herein are reasonable, we can give no assurance that these plans, intentions or expectations will be achieved. We disclose important factors that could cause our actual results to differ materially from our expectations under "Risk Factors" in the other documents incorporated by reference herein and in our subsequent SEC filings. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

## SUMMARY

This summary provides a brief overview of information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference. Because it is abbreviated, this summary does not contain all of the information that you should consider before investing in our common stock in this offering. You should read the entire prospectus supplement, the accompanying prospectus, the documents incorporated by reference and the other documents to which we refer for a more complete understanding of our business and this offering. Please read the section entitled “Risk Factors” beginning on page S-4 of this prospectus supplement and beginning on page 5 of the accompanying prospectus, and additional information contained in our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement for more information about important factors you should consider before investing in our common stock in this offering.

### Overview

We are an independent exploration and production company focused on the acquisition and development of unconventional oil and natural gas resources in the North Dakota and Montana regions of the Williston Basin. As of December 31, 2014, we have accumulated 505,503 net leasehold acres in the Williston Basin, of which approximately 86% is held by production. We are currently exploiting significant resource potential from the Bakken and Three Forks formations, which are present across a substantial portion of our acreage. We believe the location, size and concentration of our acreage in our core project areas create an opportunity for us to achieve cost, recovery and production efficiencies through the development of our project inventory. Our management team has a proven track record in identifying, acquiring and executing large, repeatable development drilling programs, which we refer to as “resource conversion” opportunities, and has substantial Williston Basin experience. In 2014, we completed and placed on production 195 gross operated wells in the Williston Basin. We have built our Williston Basin assets primarily through acquisitions and development in our two primary project areas: West Williston and East Nesson. In March 2014, we completed the sale of certain non-operated properties in our Sanish project area.

### Recent Developments

#### SPO Letter Agreement and Waiver of Delaware General Corporation Law Section 203

Given that affiliates of SPO Advisory Corp (together with its affiliates and associates, “SPO”) will own in excess of 15% of our outstanding voting stock as a result of their participation level in this offering, the Company entered into a letter agreement (the “SPO Letter Agreement”) with SPO Advisory Corp in connection with the offering. The SPO Letter Agreement approved pursuant to Section 203 of the Delaware General Corporation Law (“Section 203”) the purchase of shares in this offering by SPO. This approval resulted in SPO not being subject to the restrictions on “business combinations” contained in Section 203. In consideration of such approval, SPO agreed that:

- it will not become the owner of more than 20% of our outstanding voting stock (other than as a result of actions taken solely by the Company) without the prior approval of the Company’s board of directors; and
- it will not engage in (i) any “business combination” (as defined in Section 203(c)(3)(i) and Section 203(c)(3)(ii) (provided that for purposes of Section 203(c)(3)(ii), 10% shall be replaced with 20%) without the approval of 66 2/3% of our outstanding voting stock which is not owned by SPO or (ii) any “business combination” (as defined in Section 203(c)(iii)-(v) without the prior approval of the Company’s board of directors.

Following this offering, the Company may negotiate a registration rights agreement with SPO to facilitate an orderly distribution of SPO’s shares of common stock in the future.

Corporate Information

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

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## THE OFFERING

Issuer	Oasis Petroleum Inc.
Shares of common stock offered	32,000,000 shares.
Option to purchase additional shares	The underwriters also have the option to purchase up to an additional 4,800,000 shares from us, at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus supplement.
Shares of common stock outstanding following this offering <sup>1</sup>	134,451,226 shares (139,251,226 shares if the underwriters exercise their option to purchase additional shares in full).
Use of proceeds	We will use the estimated net proceeds from this offering of approximately \$402.5 million (or \$462.9 million if the underwriters exercise their option to purchase additional shares in full) to repay outstanding borrowings under our revolving credit facility and for general corporate purposes. For more information about our use of proceeds from this offering, see “Use of Proceeds.”
Conflicts of interest	We intend to use a portion of the net proceeds of this offering to repay indebtedness owed by us under our credit facility. See “Use of Proceeds.” Because a repayment of the outstanding borrowings under our credit facility could result in at least 5% of the net proceeds of this offering being paid to an affiliate of an underwriter who is a lender under our revolving credit facility, this offering is being made in compliance with the requirements of Rule 5121 of the Financial Industry Regulatory Authority, or FINRA. In accordance with that rule, no “qualified independent underwriter” is required, because a bona fide public market exists in the shares, as that term is defined in the rule. For more information, see “Underwriting (Conflicts of Interest)—Conflicts of Interest.”

(1) Based on 102,451,226 shares outstanding as of February 27, 2015.

Unless we indicate otherwise or the context otherwise requires, all of the information in this prospectus supplement: assumes no exercise of the underwriters' option to purchase additional shares of common stock; includes outstanding shares of unvested restricted common stock; and does not include i) 2.5 million shares of common stock authorized, but unissued and available for issuance, under our Amended and Restated 2010 Long-Term Incentive Plan, or ii) the shares issuable if earned under 827,730 performance share units outstanding as of February 27, 2015 that, when earned, each represent the right to receive one share of the Company's common stock.

## RISK FACTORS

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



## RISK FACTORS

An investment in our common stock involves risk. In addition to the risks described below, you should also carefully read the risk factors included in the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2014, together with all of the other information included in this prospectus supplement, the accompanying prospectus and the documents we have incorporated by reference into this prospectus supplement in evaluating an investment in our common stock. If any of the described risks actually were to occur, our business, financial condition or results of operations could be affected materially and adversely. In that case, the trading price of our common stock could decline and you could lose all or part of your investment.

### Risks Related to this Offering and Our Common Stock

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

The market price of our common stock has historically experienced and may continue to experience volatility. For example, during 2014, the market price of our common stock ranged between \$10.64 and \$58.09. Such fluctuations may continue because of numerous factors, including:

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

In particular, our stock price fell dramatically in the second half of 2014 due to the steep decline in crude oil prices and a corresponding decline in natural gas prices. Our financial position, our cash flows, our results of operations and our stock price could be materially adversely affected if commodity prices do not improve or decline further. In addition, in recent years the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market prices of securities issued by many companies for reasons unrelated to their operating performance. Our stock price may experience extreme volatility due to uncertainty regarding commodity prices. These market fluctuations, regardless of the cause, may materially and adversely affect our stock price, regardless of our operating results.

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

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

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

Delaware law prohibits us from engaging in any business combination with any “interested stockholder,” meaning generally that a stockholder who beneficially owns more than 15% of our stock cannot acquire us for a period of three

years from the date this person became an interested stockholder, unless various conditions are met, such as approval of the transaction by our Board of Directors.

Investors in this offering may experience future dilution.

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

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

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

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

Notwithstanding the use of proceeds from this offering, we expect our future capital expenditures, together with other expenses (including debt expense) will require us to incur future borrowings under our revolving credit facility or obtain financing from other sources.

Our exploration and development activities are capital intensive. Our capital expenditure budget for 2015 is approximately \$705 million, with approximately \$565 million allocated for drilling and completion operations. We expect to use proceeds from this offering to repay amounts under our revolving credit facility. We expect that our future capital expenditures will require us to incur future borrowings under our revolving credit facility or obtain financing from other sources, and that our operating cash flows alone will be insufficient to cover all of our expenses for 2015 and future periods.

For additional information regarding our capital expenditures, debt expense, financing and related impacts of commodity prices, please also read the Risk Factors in our Form 10-K for the year ended December 31, 2014 under "Our exploration, development and exploitation projects require substantial capital expenditures. We may be unable to obtain needed capital or financing on satisfactory terms, which could lead to expiration of our leases or a decline in our estimated net oil and natural gas reserves," "We may not be able to generate enough cash flow to meet our debt obligations" and "A substantial or extended decline in oil and, to a lesser extent, natural gas prices may adversely affect our business, financial condition or results of operations and our ability to meet our capital expenditure obligations and financial commitments."

## USE OF PROCEEDS

We expect the net proceeds from this offering to be approximately \$402.5 million (or approximately \$462.9 million if the underwriters exercise their option to purchase additional shares in full), after deducting estimated fees and expenses (including underwriting discounts and commissions). We intend to use the net proceeds from this offering to repay outstanding borrowings under our revolving credit facility and for general corporate purposes.

As of February 27, 2015, we had \$600.0 million of outstanding borrowings under our revolving credit facility, which bore interest at a rate of approximately 1.9%, and had \$5.2 million of outstanding letters of credit under our revolving credit facility. Borrowings under the credit facility are incurred for general corporate purposes, including the funding of our capital budget. Any amounts repaid with the proceeds from this offering may be reborrowed in the future. A repayment of the outstanding borrowings under our credit facility could result in at least 5% of the net proceeds of this offering being paid to an affiliate of an underwriter who is a lender under our revolving credit facility. Accordingly, this offering is being made in compliance with the requirements of Rule 5121 of the Financial Industry Regulatory Authority. For more information, see “Underwriting (Conflicts of Interest) -Conflicts of Interest.”

## CAPITALIZATION

The following table sets forth our unaudited capitalization at December 31, 2014:

•on an actual basis; and

•on an as adjusted basis to give effect to the issuance and sale of our common stock offered hereby and the application of the estimated net proceeds therefrom as set forth under "Use of Proceeds."

	As of December 31, 2014	
	Actual (In thousands)	As Adjusted
Cash and Cash Equivalents	\$45,811	\$45,811
Long-term Debt:		
Revolving credit facility(1)	500,000	97,543
7.25% Senior Notes due 2019	400,000	400,000
6.5% Senior Notes due 2021	400,000	400,000
6.875% Senior Notes due 2023	400,000	400,000
6.875% Senior Notes due 2022	1,000,000	1,000,000
Total long-term debt	2,700,000	2,297,543
Stockholders' Equity:		
Common stock, \$0.01 par value; 300,000,000 shares authorized; 101,627,296 issued and 101,341,619 outstanding; 133,627,296 issued and 133,341,619 outstanding, as adjusted	1,001	1,321
Treasury stock, at cost, 285,677 shares	(10,671	) (10,671
Additional paid-in-capital	1,007,202	1,409,339
Retained earnings	874,769	874,769
Total stockholders' equity	1,872,301	2,274,758
Total Capitalization	\$4,572,301	\$4,572,301

(1) As of February 27, 2015, we had \$600.0 million of borrowings outstanding under our revolving credit facility and had \$5.2 million of outstanding letters of credit issued under our revolving credit facility.

**PRICE RANGE OF COMMON STOCK**

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

	Sales Price	
	High	Low
2013:		
First quarter	\$39.78	\$31.45
Second quarter	\$42.89	\$31.58
Third quarter	\$49.48	\$37.86
Fourth quarter	\$57.33	\$42.70
2014:		
First quarter	\$47.28	\$38.68
Second quarter	\$56.38	\$41.01
Third quarter	\$58.09	\$40.85
Fourth quarter	\$41.90	\$10.64
2015:		
First quarter (through March 3, 2015)	\$19.63	\$12.05

On March 3, 2015, the last sales price of our common stock as reported on the New York Stock Exchange was \$13.84 per share.

The number of shareholders of record of our common stock was approximately 597 as of February 27, 2015.

**DIVIDEND POLICY**

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

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

The following is a summary of the material U.S. federal income tax considerations related to the purchase, ownership and disposition of our common stock by a non-U.S. holder (as defined below), that holds our common stock as a “capital asset” (generally property held for investment). This summary is based on the provisions of the Internal Revenue Code of 1986, as amended (the “Code”), U.S. Treasury regulations, administrative rulings and judicial decisions, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. We have not sought any ruling from the Internal Revenue Service (“IRS”) with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

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

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

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

### Non-U.S. Holder Defined

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

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or



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

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

#### Distributions

We do not expect to pay any distributions on our common stock in the foreseeable future. However, in the event we do make distributions of cash or other property on our common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, the distributions will be treated as a non-taxable return of capital to the extent of the non-U.S. holder's tax basis in our common stock and thereafter as capital gain from the sale or exchange of such common stock. See "--Gain on Disposition of Common Stock." Dividends paid to a non-U.S. holder on our common stock generally will be subject to U.S. withholding tax at a rate of 30% unless an applicable income tax treaty provides for a lower rate. To receive the benefit of a reduced treaty rate, a non-U.S. holder must provide the applicable withholding agent with an IRS Form W-8BEN or IRS Form W-8BEN-E (or other applicable or successor form) certifying qualification for the reduced rate.

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

#### Gain on Disposition of Common Stock

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

- the non-U.S. holder is an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which the sale or disposition occurs and certain other conditions are met;
- the gain is effectively connected with a trade or business conducted by the non-U.S. holder in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States); or
- our common stock constitutes a U.S. real property interest by reason of our status as a United States real property holding corporation ("USRPHC") for U.S. federal income tax purposes.

A non-U.S. holder described in the first bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate as specified by an applicable income tax treaty) on the amount of such gain, which generally may be offset by U.S. source capital losses.

A non-U.S. holder whose gain is described in the second bullet point above generally will be taxed on a net income basis at the rates and in the manner generally applicable to United States persons (as defined under the Code) unless an applicable income tax treaty provides otherwise. If the non-U.S. holder is a corporation, it may also be subject to a branch profits tax (at a 30% rate or such lower rate as specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items) which will include such gain.

Generally, a corporation is a USRPHC if the fair market value of its U.S. real property interests equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests and its other assets used or held for use in a trade or business. Because of the oil and natural gas properties and other real property assets we own, we believe that we currently are, and expect to remain for the foreseeable future, a USRPHC for U.S. federal income tax purposes. However, as long as our common stock continues to be regularly traded on an established securities market, only a non-U.S. holder that actually or constructively owns, or owned at any time during the shorter of the five-year period ending on the date of the disposition or the non-U.S. holder's holding period for the common stock, more than 5% of our common stock will be taxable on gain recognized on the disposition of our common stock as a result of our status as a USRPHC. If our common stock ceased to be regularly traded on an established securities market prior to the beginning of the calendar year in which the relevant disposition occurred, all non-U.S. holders generally would be subject to U.S. federal income tax on a taxable disposition of our common stock, and a 10% withholding tax would apply to the gross proceeds from the sale of our common stock by such non-U.S. holders.

Non-U.S. holders should consult their tax advisors with respect to the application of the foregoing rules to their ownership and disposition of our common stock.

#### Backup Withholding and Information Reporting

Any dividends paid to a non-U.S. holder must be reported annually to the IRS and to the non-U.S. holder. Copies of these information returns may be made available to the tax authorities in the country in which the non-U.S. holder resides or is established. Payments of dividends to a non-U.S. holder generally will not be subject to backup withholding if the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate version of IRS Form W-8.

Payments of the proceeds from a sale or other disposition by a non-U.S. holder of our common stock effected by or through a U.S. office of a broker generally will be subject to information reporting and backup withholding (at the applicable rate) unless the non-U.S. holder establishes an exemption by properly certifying its non-U.S. status on an IRS Form W-8BEN, IRS Form W-8BEN-E or other appropriate version of IRS Form W-8 and certain other conditions are met. Information reporting and backup withholding generally will not apply to any payment of the proceeds from a sale or other disposition of our common stock effected outside the United States by a non-U.S. office of a broker. However, unless such broker has documentary evidence in its records that the holder is not a United States person and certain other conditions are met, or the non-U.S. holder otherwise establishes an exemption, information reporting will apply to a payment of the proceeds of the disposition of our common stock effected outside the United States by such a broker if it has certain relationships within the United States.

Backup withholding is not an additional tax. Rather, the U.S. income tax liability (if any) of persons subject to backup withholding will be reduced by the amount of tax withheld. If withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

#### Additional Withholding Requirements under FATCA

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Sections 1471 through 1474 of the Code, and the Treasury regulations and administrative guidance issued thereunder (“FATCA”), impose a 30% withholding tax on any dividends paid on our common stock and on the gross proceeds from a disposition of our common stock (if such disposition occurs after December 31, 2016), in each case if paid to

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a “foreign financial institution” or a “non-financial foreign entity” (each as defined in the Code) (including, in some cases, when such foreign financial institution or non-financial foreign entity is acting as an intermediary), unless (i) in the case of a foreign financial institution, such institution enters into an agreement with the U.S. government to withhold on certain payments, and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are non-U.S. entities with U.S. owners), (ii) in the case of a non-financial foreign entity, such entity certifies that it does not have any “substantial United States owners” (as defined in the Code) or provides the applicable withholding agent with a certification (generally on an IRS Form W-8BEN-E) identifying the direct and indirect substantial United States owners of the entity, or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules and provides appropriate documentation (such as an IRS Form W-8BEN-E). Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing these rules may be subject to different rules. Under certain circumstances, a holder might be eligible for refunds or credits of such taxes.

The rules under FATCA are new and complex. You are encouraged to consult with your own tax advisor regarding the implications of FATCA on an investment in our common stock.

**INVESTORS CONSIDERING THE PURCHASE OF OUR COMMON STOCK ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE APPLICABILITY AND EFFECT OF U.S. FEDERAL ESTATE AND GIFT TAX LAWS AND ANY STATE, LOCAL OR NON-U.S. TAX LAWS AND TAX TREATIES.**

## UNDERWRITING (CONFLICTS OF INTEREST)

Under the terms and subject to the conditions contained in an underwriting agreement between us and Credit Suisse Securities (USA) LLC and J.P. Morgan Securities LLC, as representatives of the underwriters in this offering, we have agreed to sell to the underwriters named below, and the underwriters have agreed, severally and not jointly, to buy the following number of shares of common stock set forth opposite their names:

Underwriters	Number of Shares
Credit Suisse Securities (USA) LLC	22,400,000
J.P. Morgan Securities LLC	9,600,000
Total	32,000,000

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of common stock in this offering if any are purchased, other than those shares covered by the underwriters' option to purchase additional common stock. We have granted the underwriters a 30-day option to purchase on a pro rata basis up to an aggregate of 4,800,000 additional shares at the offering price set forth on the cover page of this prospectus supplement.

The underwriters have proposed initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of \$0.2154 per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	Per Share	Without Option	With Option
Public offering price	\$ 12.8000	\$409,600,000	\$471,040,000
Underwriting discounts	\$0.2154	\$6,892,800	\$7,926,720
Proceeds to us before expenses	\$ 12.5846	\$402,707,200	\$463,113,280

We estimate that our out-of-pocket expenses for this offering will be approximately \$250,000. The underwriters have agreed to reimburse us for certain offering expenses incurred by us in connection with the offering.

We have agreed to indemnify the underwriters against liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in that respect. The underwriters have informed us that they do not expect sales to accounts over which they have discretionary authority to exceed 5% of the shares of common stock being offered.

## Lock-Up Agreements

We have agreed that we will not (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock beneficially owned under Section 16 of the Exchange Act, (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the our common stock, whether any such transaction is to be settled by delivery of common stock or such other securities, in cash or otherwise, or (3) file any registration statement with the Commission relating to the offering of any shares of our common stock or any securities convertible into or exercisable or exchangeable for common stock or (4) publicly announce the intention to effect any such transaction described in in the preceding clauses, without the prior written consent of Credit Suisse Securities (USA) LLC for a period of 90 days after the date of this prospectus supplement (the "Restricted Period").

The restrictions contained in the preceding paragraph shall not apply to (a) the shares of common stock to be sold pursuant to this prospectus supplement, (b) the issuance by us of shares of common stock upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof, (c) the issuance by us of restricted shares of common stock or other equity awards, in each case, not exercisable or transferrable during the Restricted Period, pursuant to our 2010 Annual Incentive Compensation Plan, or (d) the establishment of a trading plan pursuant

to Rule 10b5-1 under the Exchange Act for the transfer of shares of our common stock, provided that (i) such plan does not provide for

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the transfer of shares of our common stock during the Restricted Period and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by or on our behalf regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of shares of our common stock may be made under such plan during the Restricted Period.

In addition, during the Restricted Period, our directors and executive officers have agreed that they will not, without the prior written consent of Credit Suisse Securities (USA) LLC, (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock beneficially owned (as such term is used in Rule 13d-3 of the Exchange Act), or (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of shares of our common stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of shares of our common stock or such other securities, in cash or otherwise. These lockup agreements are subject to certain exceptions, including (a) transactions relating to shares of our common stock or other securities acquired in open market transactions after the completion of the public offering of our common shares to which this prospectus supplement relates, provided that no filing under Section 16(a) of the Exchange Act, shall be required or shall be voluntarily made in connection with subsequent sales of shares of our common stock or other securities acquired in such open market transactions, (b) transfers of shares of our common stock or any security convertible into shares of our common stock as a bona fide gift; provided that in the case of any transfer pursuant to clause (b), no filing under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership of shares of our common stock, shall be required or shall be voluntarily made during the Restricted Period, (c) distributions of shares of our common stock or any security convertible into common stock to limited partners, members or stockholders of the undersigned; provided that in the case of any distribution pursuant to clause (c), (i) each distributee shall sign and deliver a lock-up letter and (ii) no filing under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership of shares of our common stock, shall be required or shall be voluntarily made during the Restricted Period, (d) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of our common stock, provided that (i) such plan does not provide for the transfer of shares of our common stock during the Restricted Period and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by or on behalf of our directors or applicable officers or the Company regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of shares of our common stock may be made under such plan during the Restricted Period, or (e) transfers of no more than an aggregate of 200,000 shares of common stock.

Credit Suisse Securities (USA) LLC, in its sole discretion, may release the shares of our common stock and other securities subject to the lock-up agreements described above in whole or in part at any time. When determining whether or not to release the common stock and other securities from lock-up agreements, Credit Suisse Securities (USA) LLC will consider, among other factors, the holder's reasons for requesting the release and the number of shares of common stock or other securities for which the release is being requested.

#### Conflicts of Interest

Because an affiliate of J.P. Morgan Securities LLC is a lender under our revolving credit facility and will receive 5% or more of the net proceeds of this offering due to our repayment of the amounts outstanding under our revolving credit facility using the net proceeds from this offering, it is deemed to have a "conflict of interest" under Rule 5121 of the FINRA rules. Accordingly, this offering is being made in compliance with the requirements of Rule 5121. The appointment of a "qualified independent underwriter" is not required in connection with this offering as a "bona fide public market," as defined in Rule 5121, exists for our common stock. In accordance with Rule 5121, J.P. Morgan Securities LLC will not confirm sales to any account over which it exercises discretionary authority without the specific written approval of the transaction from the account holder. Please read "Use of Proceeds."

#### Other Relationships

The underwriters and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment hedging, financing and brokerage activities. The underwriters and their affiliates have from time to time performed, and may in the future perform, various financial advisory, commercial banking and investment banking services for us and for our affiliates in the ordinary course of business for which they have received and would receive customary compensation.

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In the ordinary course of their various business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investments and securities activities may involve securities and/or instruments of the issuer. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

#### Stabilization

In connection with this offering each underwriter may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions, penalty bids and passive market making in accordance with Regulation M under the Exchange Act.

Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

Over-allotment involves sales by the underwriter of shares in excess of the number of shares the underwriter is obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriter is not greater than the number of shares that it may purchase in the over-allotment option. In a naked short positio