
March 2021

Debt Market Update

SIMMONS ENERGY

A DIVISION OF PIPER SANDLER

A Strong Year Despite The Rocky Start

High Yield Debt Market:

- 2020 started off strong with companies like WPX Energy approaching the high yield market in early January 2020, providing the catalyst for a wave of opportunistic issuances by O&G borrowers that were sidelined as a result of 4Q19's market volatility in the sector
 - However, the high yield market quickly grinded to a halt in February 2020 following the broad market selloff fueled by uncertainty
- O&G issuance largely remained muted throughout the initial reopening of the capital markets for other industries, which was spurred by the Federal Reserve's injections of liquidity into the markets
 - However, E&P and Midstream issuers with strong credit profiles regained market access beginning June 2020 following continued support from the Fed, easing lockdown restrictions and vaccine headlines
 - For example, Occidental Petroleum opportunistically placed \$5.0 billion in notes between June 2020 and August 2020
 - Issuers with 2B credit profiles began to see windows of opportunity open more broadly in November 2020 following improved commodity prices and promising vaccine efficacy results
- 2020 O&G high yield issuance totaled \$42.3 billion, representing a YoY increase of 119% relative to 2019's volume of \$19.3 billion, having been driven primarily by E&P issuers and further bolstered by large fallen angel issuances
 - Approximately 27% of 2020 HY O&G issuance was originated from fallen angel issuers
 - Excluding fallen angel issuers, 2020 HY volume was approximately \$30.9 billion, representing a YoY increase of 60% relative to 2019's volume
- Starting in mid-January of 2021, issuance picked up meaningful steam, with YTD volume at \$16.3 billion as of March 8th, 2021, as the market remains constructive to improving commodity markets and expectations for a return to global growth

Resiliency of the Direct Lending Market

Loan Market (RBL, Leveraged Loan, Private Debt):

- Access to traditional bank financing became much more restrictive in 2020 with a renewed focus on lender driven terms, which led to (i) tightened financial covenants, (ii) increased restrictions on: restricted payments, investments, etc, (iii) increased drawn and undrawn pricing, and (iv) minimum liquidity requirements
 - In addition to the themes above, the RBL market saw increased redetermination requirements, restrictions on borrowing base value attributable to PUD reserves, increased discount rates, and minimum hedging requirements
 - Anti-cash hoarding provisions became common place in amendments and borrowing base redeterminations following the surge of revolver drawdowns, which resulted in roughly \$298 billion being drawn upon for liquidity from March 5th – May 29th, 2020
- 2020 Term Loan B issuance activity was largely muted and reflective of the many aforementioned challenges Borrowers faced evaluating liquidity implications of additional secured debt and onerous covenants imposed by existing bank groups
- Borrowers have increasingly turned to the private debt markets for capital as traditional lenders pulled back and the public debt markets experienced volatility and windows of availability
 - For example, following unconstructive dialogue with traditional lenders, NuStar Energy was able to obtain financing in the form of a \$750 million unsecured term loan from Oaktree in April 2020 providing testament to the advantages of private debt as an alternative to traditional bank financing
 - Piper Simmons DCM team was active despite the market dislocation within the E&P and OFS verticals, helping clients with refinancings and by providing viable alternatives to the public markets
 - The wave of maturities coming due in 2022-2023 will provide a plethora of opportunities for private credit providers to offer capital solutions despite liquidity constraints from traditional capital providers
- Private Debt Funds continue to attract capital and increasingly seek to put capital to work within the energy industry across E&P, OFS, and Midstream borrowers for opportunities to realize attractive risk-adjusted returns

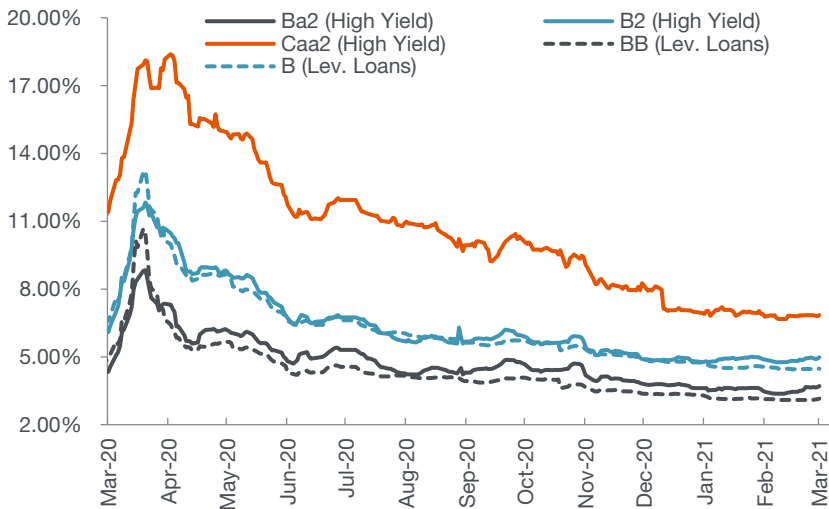
Looking Forward

2021 Debt Market Outlook:

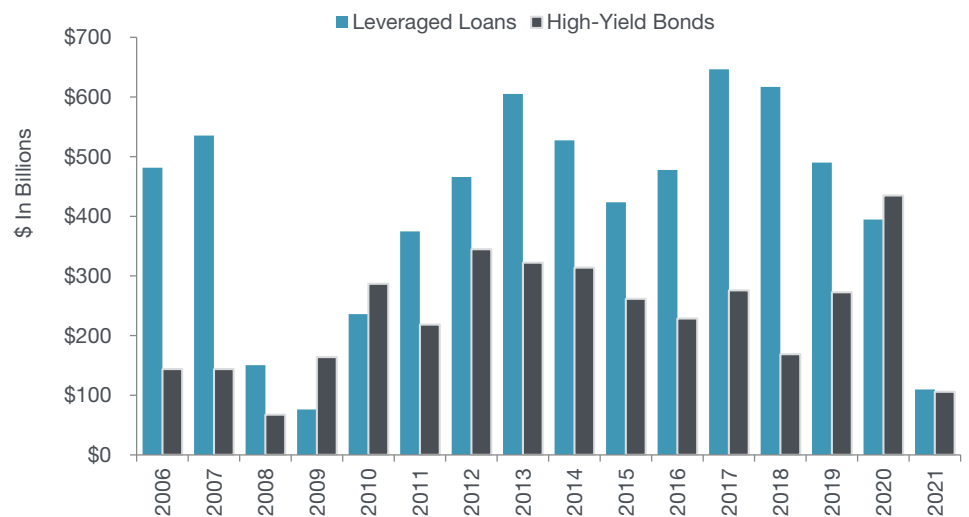
- Barring any significant disruptions, we expect the Private Debt market to remain available and constructive for the remainder of the year, while the High Yield and Leveraged Loan markets will likely be subject to windows of availability
 - Borrowers with upcoming maturities that are within the next 18 months should proactively be exploring refinancing alternatives while the market windows are open and available
 - We expect continued rationalization in the RBL market, albeit to a lesser extent than early 2020, with a sustained reduction in active lenders to the space and increased discounting of reserves for borrowing base values becoming the industry norm
 - We expect liquidity to be accessible for borrowers with strong asset footprints and conservative credit profiles, however smaller producers will likely face scrutiny

Broader Historical Yields and Volumes:

Leveraged Loan & HY Yields by Ratings



Leveraged Loan & HY Volume



Source: S&P, Bloomberg as of March 8, 2021

High Yield Bond Market Issuance (E&P)

E&P High Yield Issuances - New Issuances Since January 1, 2020

Trade Date	Company (New Issues)	Tenor	At Issuance		Current		Maturity	Size (\$)	Coupon	At Issuance		Current		Δ Yield	Security	Sponsor	Purpose
			Moody's	S&P	Moody's	S&P				Price	YTM	Price ¹	YTM ¹				
Post vaccine announcement/recovery in oil prices																	
3/2/2021	Murphy Oil	7.0	Ba3	BB	Ba3	BB	7/15/28	\$ 550.0	6.38%	\$ 100.00	6.38%	\$ 101.53	6.14%	(0.24%)	Unsecured	Not Sponsored	Refinancing
2/18/2021	Comstock Resources	8.0	Caa1	B	Caa1	B	3/1/29	1,000.0	6.75%	100.00	6.75%	104.24	6.14%	(0.61%)	Unsecured	Not Sponsored	Refinancing
2/8/2021	Great Western Petroleum	4.0	NR	B-	Caa2	B-	9/1/25	235.0	12.00%	97.50	12.73%	90.00	15.15%	2.41%	Secured	Not Sponsored	Refinancing
2/8/2021	Northern Oil & Gas	7.0	Caa1	B-	Caa1	B	3/1/28	550.0	8.13%	100.00	8.13%	100.00	8.10%	(0.02%)	Unsecured	Not Sponsored	Acquisition
2/3/2021	Chesapeake Energy	5.0	B1	BB-	B1	BB-	2/1/26	500.0	5.50%	100.00	5.50%	105.00	4.35%	(1.15%)	Unsecured	Not Sponsored	Refinancing
2/3/2021	Chesapeake Energy	8.0	B1	BB-	B1	BB-	2/1/29	500.0	5.88%	100.00	5.88%	107.27	4.77%	(1.11%)	Unsecured	Not Sponsored	Refinancing
1/26/2021	Aethon United	5.0	B3	B	B3	B	2/15/26	750.0	8.25%	100.00	8.25%	105.13	7.03%	(1.22%)	Unsecured	Not Sponsored	Refinancing
1/22/2021	Colgate Energy Partners	5.0	B3	B	B3	B	2/15/26	300.0	7.75%	98.97	8.00%	100.48	7.63%	(0.37%)	Unsecured	Pearl	Dividend Recap
1/19/2021	Indigo Natural Resources	8.0	B3	BB-	B3	BB-	2/1/29	700.0	5.38%	100.00	5.38%	99.65	5.43%	0.05%	Unsecured	Not Sponsored	Refinancing
1/19/2021	MEG Energy Corp	8.0	B3	B-	B3	B-	2/1/29	600.0	5.88%	100.00	5.88%	102.25	5.55%	(0.33%)	Unsecured	Not Sponsored	Refinancing
1/14/2021	California Resources Corporation	5.0	B2	B+	B2	B+	2/1/26	600.0	7.13%	100.00	7.13%	102.83	6.46%	(0.67%)	Unsecured	Not Sponsored	Refinancing
1/11/2021	Antero Resources Corp	9.0	B2	B+	B2	B+	2/1/29	700.0	7.63%	100.00	7.63%	107.27	6.41%	(1.22%)	Unsecured	Not Sponsored	Refinancing
1/11/2021	Talos Production LLC	5.0	B3	B+	NR	NR	1/25/26	150.0	12.00%	97.00	12.82%	97.29	12.75%	(0.07%)	Unsecured	Not Sponsored	Refinancing
1/7/2021	Hilcorp Energy Co	10.0	Ba3	BB-	Ba3	BB-	2/1/31	600.0	6.00%	100.00	6.00%	102.00	5.72%	(0.28%)	Unsecured	Not Sponsored	Refinancing
1/7/2021	Hilcorp Energy Co	8.0	Ba3	BB-	Ba3	BB-	2/1/29	600.0	5.75%	100.00	5.75%	102.30	5.37%	(0.38%)	Unsecured	Not Sponsored	Refinancing
1/5/2021	Range Resources Corp	9.0	B2	B+	B2	B+	1/15/29	600.0	8.25%	100.00	8.25%	107.27	7.03%	(1.22%)	Unsecured	Not Sponsored	Refinancing
12/17/2020	Antero Resources Corp	6.0	B3	B	B2	B+	7/15/26	500.0	8.38%	100.00	8.38%	110.25	6.12%	(2.25%)	Unsecured	Not Sponsored	Refinancing
12/17/2020	Talos Production LLC	6.0	B3	B+	B3	B+	1/15/26	500.0	12.00%	91.00	14.58%	97.75	12.71%	(1.88%)	Unsecured	Not Sponsored	Refinancing
12/14/2020	Ascent Resources	8.0	Caa1	B-	Caa1	B-	12/31/28	300.0	8.25%	100.00	8.25%	104.15	7.45%	(0.80%)	Unsecured	Not Sponsored	Refinancing
12/8/2020	Occidental Petroleum Corp	5.0	Ba2	BB-	Ba2	BB-	12/1/25	750.0	5.50%	100.00	5.50%	107.50	4.03%	(1.47%)	Unsecured	Not Sponsored	Refinancing
12/8/2020	Occidental Petroleum Corp	10.0	Ba2	BB-	Ba2	BB-	1/1/31	1,250.0	6.13%	100.00	6.13%	112.69	4.55%	(1.58%)	Unsecured	Not Sponsored	Refinancing
11/20/2020	Double Eagle Energy	5.0	B3	B	B3	B	12/15/25	650.0	7.75%	100.00	7.75%	107.17	5.94%	(1.81%)	Unsecured	Not Sponsored	Refinancing
11/10/2020	Continental Resources Inc	11.0	Ba1	BB+	Ba1	BB+	1/15/31	1,500.0	5.75%	100.00	5.75%	114.27	3.98%	(1.77%)	Unsecured	Not Sponsored	Refinancing
Depths of the Pandemic																	
8/18/2020	Southwestern Energy Co	8.0	Ba3	BB-	Ba3	BB-	9/15/28	350.0	8.38%	100.00	8.38%	109.52	6.72%	(1.66%)	Unsecured	Not Sponsored	Refinancing
8/12/2020	Occidental Petroleum Corp	8.0	Ba2	BB+	Ba2	BB-	9/1/28	600.0	6.38%	100.00	6.38%	112.50	4.38%	(1.99%)	Unsecured	Not Sponsored	Refinancing
8/12/2020	Occidental Petroleum Corp	5.0	Ba2	BB+	Ba2	BB-	9/1/25	900.0	5.88%	100.00	5.88%	109.56	3.68%	(2.20%)	Unsecured	Not Sponsored	Refinancing
8/12/2020	Occidental Petroleum Corp	10.0	Ba2	BB+	Ba2	BB-	9/1/30	1,500.0	6.63%	100.00	6.63%	114.97	4.65%	(1.98%)	Unsecured	Not Sponsored	Refinancing
8/3/2020	Apache Corp	5.0	Ba1	BB+	Ba1	BB+	11/15/25	500.0	4.63%	100.00	4.63%	104.50	3.59%	(1.04%)	Unsecured	Not Sponsored	Refinancing
8/3/2020	Apache Corp	7.0	Ba1	BB+	Ba1	BB+	11/15/27	750.0	4.88%	100.00	4.88%	104.75	4.10%	(0.78%)	Unsecured	Not Sponsored	Refinancing
6/26/2020	Occidental Petroleum Corp	5.0	Ba2	BB+	Ba2	BB-	7/15/25	500.0	8.00%	100.00	8.00%	117.28	3.61%	(4.39%)	Unsecured	Not Sponsored	Refinancing
6/26/2020	Occidental Petroleum Corp	7.0	Ba2	BB+	Ba2	BB-	7/15/27	500.0	8.50%	100.00	8.50%	121.13	4.64%	(3.86%)	Unsecured	Not Sponsored	Refinancing
6/26/2020	Occidental Petroleum Corp	10.0	Ba2	BB+	Ba2	BB-	7/15/30	1,000.0	8.88%	100.00	8.88%	129.40	4.94%	(3.94%)	Unsecured	Not Sponsored	Refinancing
6/3/2020	WPX Energy Inc	8.0	B1	BB-	B1	BBB-	6/15/28	500.0	5.88%	100.00	5.88%	108.83	4.42%	(1.45%)	Unsecured	Not Sponsored	Refinancing
6/2/2020	Endeavor Energy Resources LP	5.0	B1	BB-	Ba3	BB-	7/15/25	600.0	6.63%	100.00	6.62%	105.08	5.33%	(1.29%)	Unsecured	Not Sponsored	Refinancing
Pre-Pandemic																	
2/6/2020	Parsley Energy	8.0	Ba3	BB	WR	BBB	2/15/28	400.0	4.13%	100.00	4.13%	105.95	3.16%	(0.96%)	Unsecured	Not Sponsored	Refinancing
1/22/2020	Baytex Energy	7.0	B2	BB	B3	B+	4/1/27	500.0	8.75%	100.00	8.75%	91.89	10.65%	1.90%	Unsecured	Not Sponsored	Refinancing
1/16/2020	MEG Energy	7.0	B3	BB-	B3	B-	2/1/27	1,200.0	7.13%	100.00	7.13%	105.48	6.15%	(0.98%)	Unsecured	Not Sponsored	Refinancing
1/10/2020	Laredo Petroleum	8.0	B3	B+	Caa1	B-	1/15/28	400.0	10.13%	100.00	10.13%	99.25	10.41%	0.29%	Unsecured	Not Sponsored	Refinancing
1/10/2020	Laredo Petroleum	5.0	B3	B+	Caa1	B-	1/15/25	600.0	9.50%	100.00	9.50%	99.35	9.56%	0.06%	Unsecured	Not Sponsored	Refinancing
1/10/2020	Range Resources	6.0	B1	BB	B2	B+	2/1/26	550.0	9.25%	100.00	9.25%	108.59	7.14%	(2.11%)	Unsecured	Not Sponsored	Refinancing
1/7/2020	WPX Energy	10.0	B1	BB-	B1	BBB-	1/15/30	900.0	4.50%	100.00	4.50%	105.70	3.77%	(0.73%)	Unsecured	Not Sponsored	Acquisition
Average		7.1						\$ 649.6	7.33%	\$ 99.62	7.43%	\$ 105.90	6.33%	(1.10%)			
Median		7.0						\$ 600.0	7.13%	\$ 100.00	7.13%	\$ 105.13	5.72%	(1.11%)			

Source: LCD Comps, Capital IQ, Bloomberg as of March 8, 2021

1) Price and YTM per Bloomberg on March 8, 2021

High Yield Bond Market Issuance (Midstream & OFS)

The High Yield Market for OFS Borrowers remains challenging despite the uptick in activity seen in the broader O&G market

Midstream & Services High Yield Issuances - New Issuances Since January 1, 2020

	Trade Date	Company (New Issues)	Tenor	At Issuance		Current		Maturity	Size (\$)	Coupon	At Issuance		Current		Δ Yield	Security	Sponsor	Purpose	
				Moody's	S&P	Moody's	S&P				Price	YTM	Price ¹	YTM ¹					
Midstream	Post vaccine announcement/recovery in oil prices																		
	2/25/2021	Cheniere Energy	10.0	Ba2	BB	Ba2	BB	3/1/31	\$ 1,500.00	4.00%	\$ 100.00	4.00%	\$ 101.88	3.77%	(0.23%)	Unsecured	Not Sponsored	Refinancing	
	1/25/2021	Harvest Midstream	7.0	B1	BB-	B1	BB-	9/1/28	200.00	7.50%	105.25	6.37%	106.25	6.54%	0.17%	Unsecured	Not Sponsored	Refinancing	
	1/25/2021	NGL Energy Partners	5.0	B1	BB-	Caa1	CCC+	2/1/26	2,050.00	7.50%	100.00	7.50%	84.81	11.41%	3.91%	Secured	Not Sponsored	Refinancing	
	1/19/2021	Targa Resources	11.0	Ba3	BB	Ba3	BB	1/15/32	1,000.00	4.00%	100.00	4.00%	97.75	4.25%	0.25%	Unsecured	Not Sponsored	Refinancing	
	1/6/2021	Crestwood Midstream	8.0	B1	BB-	B1	BB-	2/1/29	700.00	6.00%	100.00	6.00%	99.70	6.04%	0.04%	Unsecured	Not Sponsored	Refinancing	
	12/15/2020	Tallgrass Energy	10.0	B1	B+	B1	BB-	12/31/30	750.00	6.00%	100.00	6.00%	99.78	6.08%	0.08%	Unsecured	Blackstone	Refinancing	
	12/14/2020	EnLink Midstream	7.0	Ba2	BB+	Ba2	BB+	1/15/28	500.00	5.63%	100.00	5.63%	102.03	5.34%	(0.29%)	Unsecured	Not Sponsored	Refinancing	
	12/10/2020	Genesis Energy	6.0	B1	B+	B1	B+	1/15/27	750.00	8.00%	100.00	8.00%	101.52	7.61%	(0.39%)	Unsecured	Not Sponsored	Refinancing	
	12/9/2020	Blue Racer	5.0	B2	B-	B2	B	12/15/25	600.00	7.63%	100.00	7.63%	108.13	5.65%	(1.98%)	Unsecured	Not Sponsored	Refinancing	
	11/5/2020	Antero Midstream	6.0	B3	B-	B2	B	5/15/26	550.00	7.88%	100.00	7.88%	109.77	5.83%	(2.04%)	Unsecured	Not Sponsored	Refinancing	
	Depths of the Pandemic																		
	10/9/2020	NorthRiver Midstream	5.0	Ba3	BB	Ba3	BB	2/15/26	525.00	5.63%	99.44	5.75%	103.25	4.88%	(0.87%)	Secured	Not Sponsored	Refinancing	
	9/23/2020	Global Partners	8.0	B2	B+	B2	B+	1/15/29	350.00	6.88%	100.00	6.88%	107.50	5.67%	(1.20%)	Unsecured	Not Sponsored	Refinancing	
	9/15/2020	Cheniere Energy	8.0	Ba3	BB-	Ba3	BB	10/15/28	2,000.00	4.63%	100.00	4.63%	103.31	4.11%	(0.52%)	Secured	Not Sponsored	Refinancing	
	9/11/2020	Tallgrass Energy Partners	5.0	B1	BB-	B1	BB-	10/1/25	600.00	7.50%	100.00	7.50%	106.00	6.05%	(1.45%)	Unsecured	Not Sponsored	Refinancing	
	9/9/2020	NuStar Logistics	5.0	Ba3	BB-	Ba3	BB-	10/1/25	600.00	5.75%	100.00	5.75%	108.00	4.06%	(1.69%)	Unsecured	Not Sponsored	Refinancing	
	9/9/2020	NuStar Logistics	10.0	Ba3	BB-	Ba3	BB-	10/1/30	600.00	6.38%	100.00	6.38%	110.20	5.04%	(1.33%)	Unsecured	Not Sponsored	Refinancing	
	8/11/2020	Targa Resources Partners	10.5	Ba3	BB	Ba3	BB	2/1/31	1,000.00	4.88%	100.00	4.88%	102.75	4.53%	(0.35%)	Unsecured	Not Sponsored	Refinancing	
	8/5/2020	Harvest Midstream	8.0	B1	BB-	B1	BB-	9/1/28	600.00	7.50%	100.00	7.50%	106.25	6.54%	(0.96%)	Unsecured	Not Sponsored	Refinancing	
	8/4/2020	Leviathan Gas Pipelines	3.0	Ba3	BB-	Ba3	BB-	6/30/23	500.00	5.75%	100.00	5.75%	105.55	3.23%	(2.52%)	Secured	Not Sponsored	Refinancing	
	8/4/2020	Leviathan Gas Pipelines	5.0	Ba3	BB-	Ba3	BB-	6/30/25	600.00	6.13%	100.00	6.13%	108.00	4.08%	(2.05%)	Secured	Not Sponsored	Refinancing	
	8/4/2020	Leviathan Gas Pipelines	7.0	Ba3	BB-	Ba3	BB-	6/30/27	600.00	6.50%	100.00	6.50%	109.80	4.69%	(1.82%)	Secured	Not Sponsored	Refinancing	
	8/4/2020	Leviathan Gas Pipelines	10.0	Ba3	BB-	Ba3	BB-	6/30/30	550.00	6.75%	100.00	6.75%	108.65	5.55%	(1.21%)	Secured	Not Sponsored	Refinancing	
	6/17/2020	DCP Midstream	7.0	Ba2	BB+	Ba2	BB+	7/15/27	500.00	5.63%	100.00	5.63%	108.09	4.14%	(1.49%)	Unsecured	Not Sponsored	Refinancing	
6/16/2020	EQM Midstream Partners	5.0	Ba3	BB-	Ba3	BB-	7/1/25	700.00	6.00%	100.00	6.00%	106.22	4.30%	(1.70%)	Unsecured	Not Sponsored	Refinancing		
6/16/2020	EQM Midstream Partners	7.0	Ba3	BB-	Ba3	BB-	7/1/27	900.00	6.50%	100.00	6.50%	107.68	5.11%	(1.39%)	Unsecured	Not Sponsored	Refinancing		
Pre-Pandemic																			
2/18/2020	Tallgrass Energy Partners	7.0	B1	BB-	B1	BB-	3/1/27	430.00	6.00%	98.59	6.25%	101.25	5.75%	(0.50%)	Unsecured	Blackstone	Refinancing		
2/11/2020	Buckeye Partners	5.0	B1	BB	B1	BB	3/1/25	500.00	4.13%	100.00	4.13%	102.25	3.49%	(0.63%)	Unsecured	IFM Investors	Refinancing		
2/11/2020	Buckeye Partners	8.0	B1	BB	B1	BB	3/1/28	500.00	4.50%	100.00	4.50%	101.26	4.29%	(0.21%)	Unsecured	IFM Investors	Refinancing		
1/21/2020	Holly Energy Partners	8.0	B1	BB	B1	BB	2/1/28	500.00	5.00%	100.00	5.00%	101.27	4.78%	(0.22%)	Unsecured	Not Sponsored	Refinancing		
1/10/2020	Genesis Energy	8.0	B1	B+	B1	B+	2/1/28	750.00	7.75%	100.00	7.75%	99.30	7.80%	0.05%	Unsecured	Not Sponsored	Refinancing		
Post vaccine announcement/recovery in oil prices																			
1/22/2021	FMC Technologies	5.0	Ba1	BB+	Ba1	BB+	2/1/2026	\$ 1,000.00	6.50%	\$ 100.00	6.50%	\$ 104.84	5.32%	(1.18%)	Secured	Not Sponsored	Refinancing		
Pre-Pandemic																			
1/8/2020	Transocean Offshore	7.0	Caa1	B-	Ca	CCC	2/1/2027	750.00	8.00%	100.00	8.00%	64.44	18.01%	10.01%	Unsecured	Not Sponsored	Refinancing		
1/7/2020	Nabors Industries	8.0	Ba2	BB-	Caa1	CCC-	1/15/2028	400.00	7.50%	100.00	7.50%	87.85	10.00%	2.50%	Secured	Not Sponsored	Refinancing		
1/7/2020	Nabors Industries	6.0	Ba2	BB-	Caa1	CCC-	1/15/2026	600.00	7.25%	100.00	7.25%	91.00	9.73%	2.48%	Secured	Not Sponsored	Refinancing		
Average			7.1					\$ 725.1	6.27%	\$ 100.10	6.25%	\$ 101.95	5.99%	(0.26%)					
Median			7.0					\$ 600.0	6.25%	\$ 100.00	6.31%	\$ 103.28	5.33%	(0.58%)					

Source: LCD Comps, Capital IQ, Bloomberg as of March 8, 2021

1) Price and YTM per Bloomberg on March 8, 2021

Leveraged Loan Market Issuance

Primary issuance in the syndicated leveraged loan market (Term Loan B) has largely remained muted as Borrowers assess more restrictive covenants on secured debt issuances

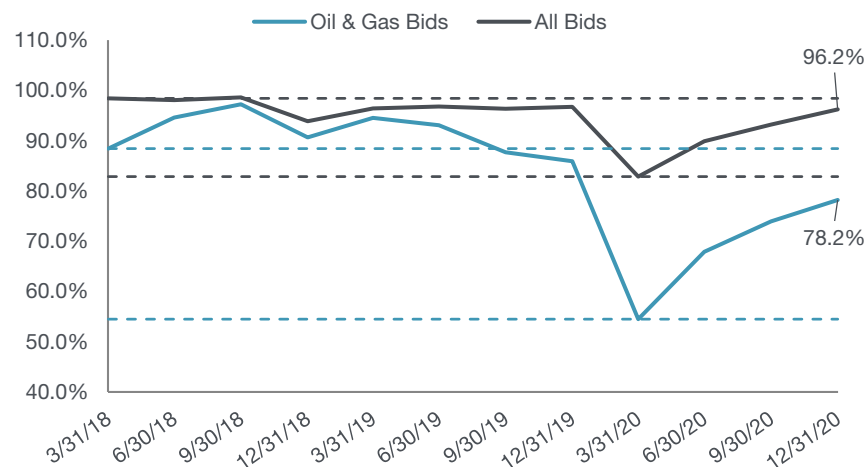
Leveraged Loan OFS Issuances Since January 1, 2020

(\$ in millions except price data)		At Issuance		Current		Yield At Issuance	Current Price ¹	Spread to Maturity ¹	Current YTM ²	Δ LIBOR ³	Current YTM		Purpose					
Trade Date	Company (New Issues)	Tenor	Moody's	S&P	Moody's						S&P	Size (\$)		Floor	Spread	OID	Adj. for Δ LIBOR	Δ Yield
1/28/2020	Frac Sand Logistics Provider	5.0	NR	NR	NR	NR	\$ 100.0	1.00%	L + 8.50%	98.00	9.47%	ND	ND	ND	(1.58%)	ND	NA	Refinancing
Mean		5.0					\$ 100.0	1.00%	L + 8.50%	98.00	9.47%	ND	ND	ND	(1.58%)	ND	NA	
Median		5.0					\$ 100.0	1.00%	L + 8.50%	98.00	9.47%	ND	ND	ND	(1.58%)	ND	NA	

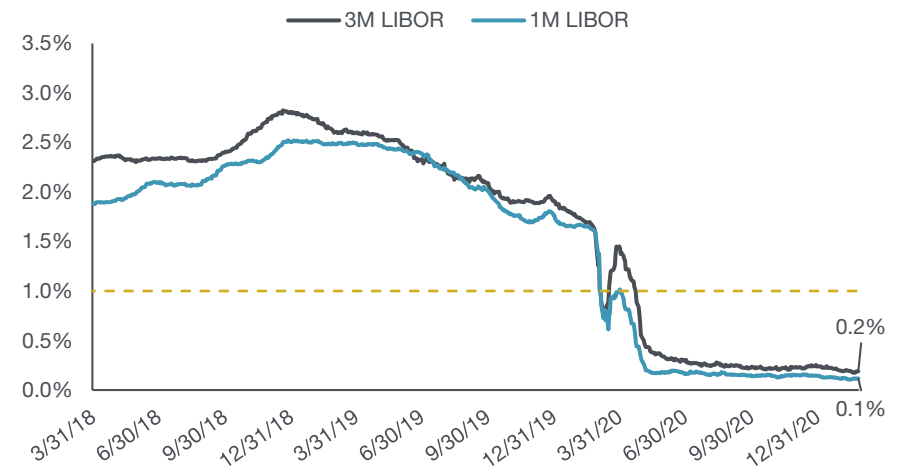
Leveraged Loan Midstream Issuances Since January 1, 2020

(\$ in millions except price data)		At Issuance		Current		Yield At Issuance	Current Price ¹	Spread to Maturity ¹	Current YTM ²	Δ LIBOR ³	Current YTM		Purpose					
Trade Date	Company (New Issues)	Tenor	Moody's	S&P	Moody's						S&P	Size (\$)		Floor	Spread	OID	Adj. for Δ LIBOR	Δ Yield
12/2/2020	International-Matex Tank Terminals (IMTT)	7.0	B2	BB	B2	B	\$ 500.0	1.00%	L + 5.50%	98.50	6.96%	100.75	L + 5.89%	6.08%	(0.04%)	6.12%	(0.84%)	LBO
8/1/2020	Lotus Midstream	5.0	B1	BB+	B1	BB	75.0	0.00%	L + 4.00%	96.50	5.69%	100.25	L + 4.19%	4.38%	(0.06%)	4.44%	(1.25%)	Corp. Purposes
5/20/2020	Epic Y-Grade Services	4.0	Caa2	B	Caa2	CCC+	75.0	ND	L + 11.50%	ND	ND	ND	ND	ND	(0.17%)	ND	NA	Corp. Purposes
2/5/2020	Tallgrass Energy	6.0	B2	B	B2	B	375.0	0.00%	L + 4.75%	99.00	6.94%	98.42	L + 5.30%	5.49%	(1.54%)	7.03%	0.09%	Acquisition
Mean		5.5					\$ 256.3	0.33%	L + 6.44%	98.00	6.53%	\$ 99.81	L + 5.12%	5.31%	(0.45%)	5.86%	(0.67%)	
Median		5.5					\$ 225.0	0.00%	L + 5.13%	98.50	6.94%	\$ 100.25	L + 5.30%	5.49%	(0.12%)	6.12%	(0.84%)	

Average Secondary Bids (2018-2020)



Historical LIBOR (2018-Present)



Source: LCD Comps, Capital IQ, Bloomberg as of March 8, 2021

1) Price and spread to maturity per IHS Markit on March 8, 2021

2) Current YTM reflects LIBOR as of March 8, 2021

3) Reflects current LIBOR vs. level at issuance

March 11, 2021

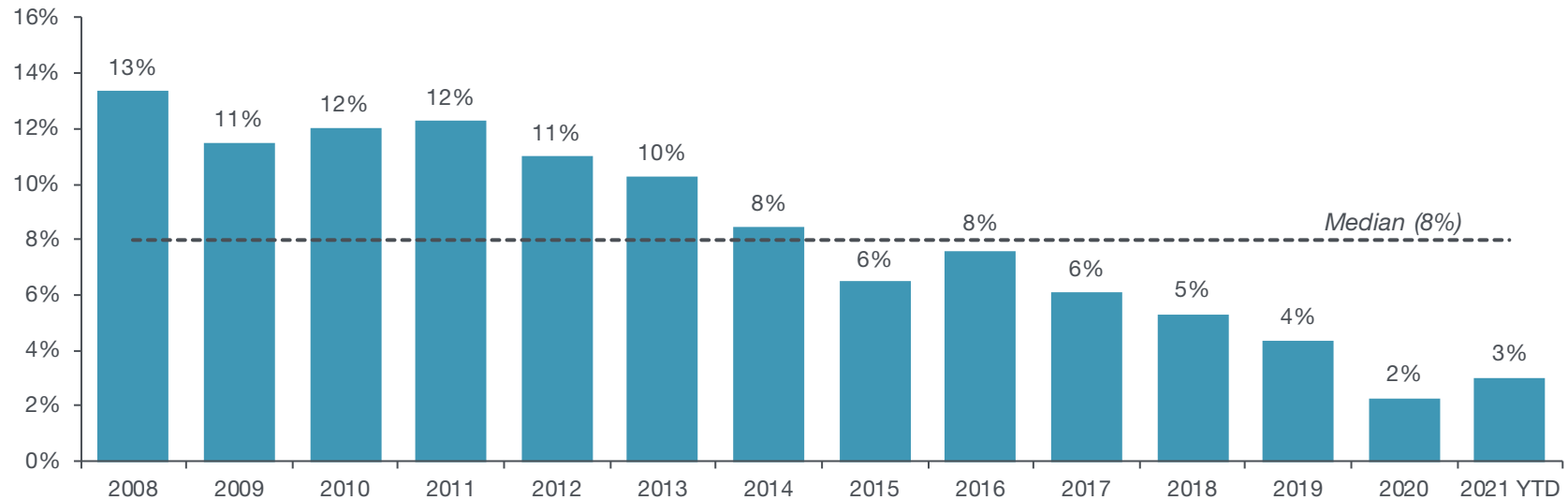
Energy Capital Markets Update

SIMMONS ENERGY

A DIVISION OF PIPER SANDLER

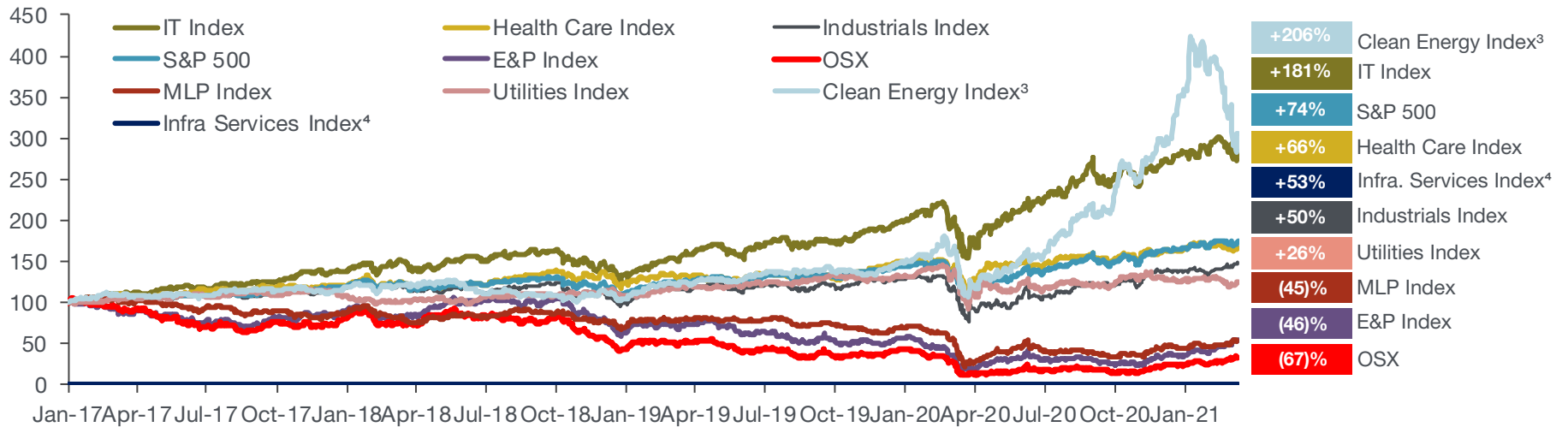
Energy Equities Have Underperformed Relative To The Broader Market¹

Traditional Energy Sector S&P 500 Weighting Since 2008¹



Energy Performance Vs. Other Industries²

(Indexed to 100 on January 1, 2017)



¹ Source: Capital IQ. Simmons calculated weighting as of the last trading day of the year through 2020 and YTD as of March 10, 2021.

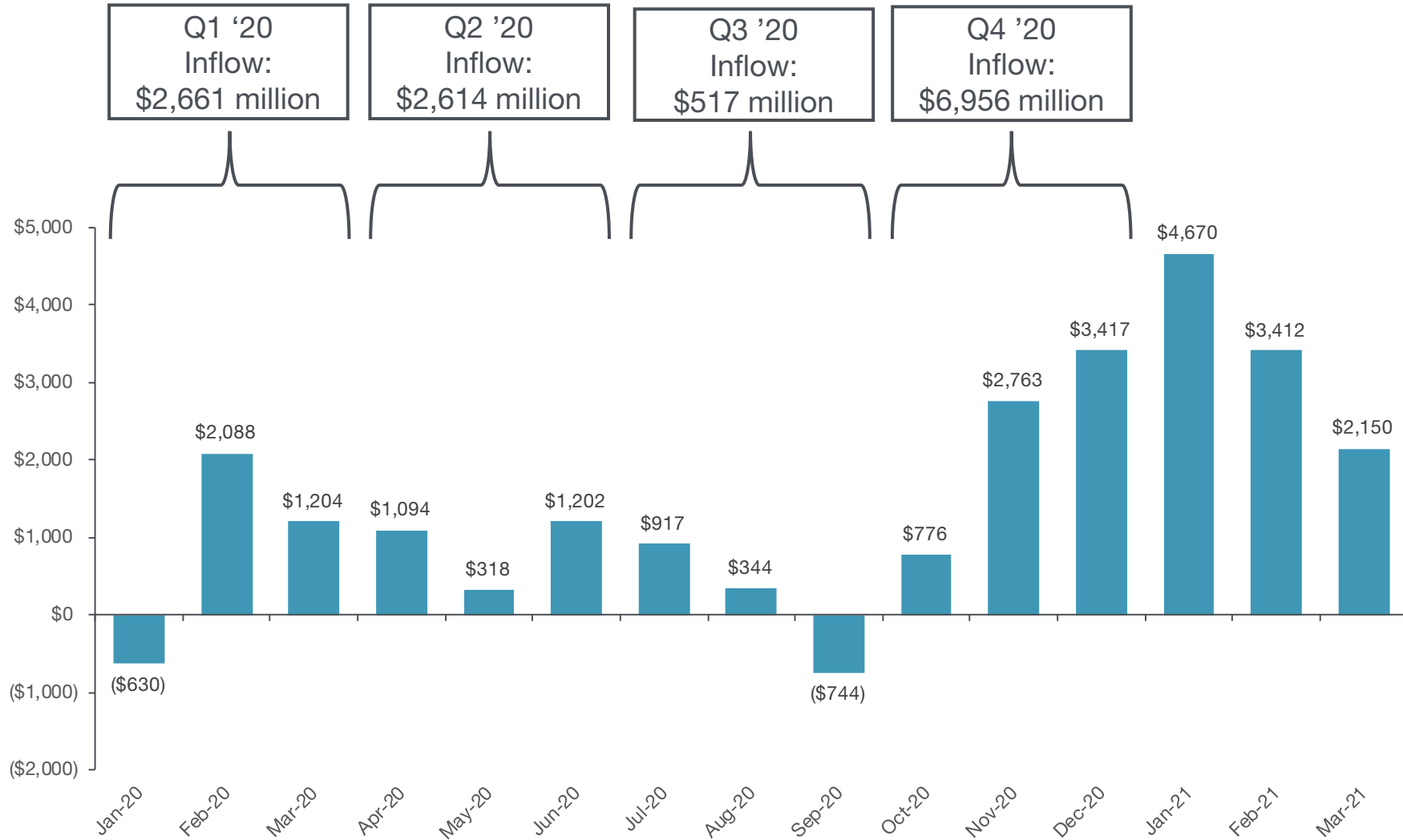
² Source: Capital IQ. As of March 10, 2021.

³ Clean Energy Index reflects the performance of the iShares Global Clean Energy ETF which seeks to track the performance of the S&P Global Clean Energy Index.

⁴ Reflects an index of the energy infrastructure companies: Aegion, Cypress Environmental Partners, Emcor, Mastec, Matrix, Mistras, Myr Group, Primoris, Quanta, Shawcor and Team.

Implied U.S. Energy (Active) Fund Flows¹

(Dollar amounts in millions)



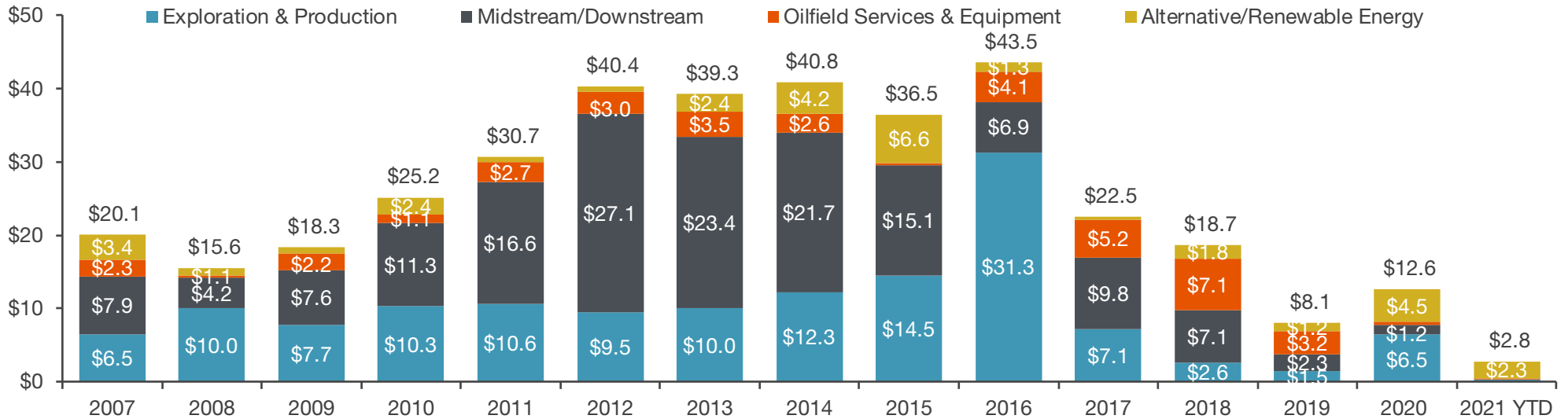
TTM As Of February 2021: \$19,372 Million

¹ Source: Bloomberg. As of March 10, 2021.

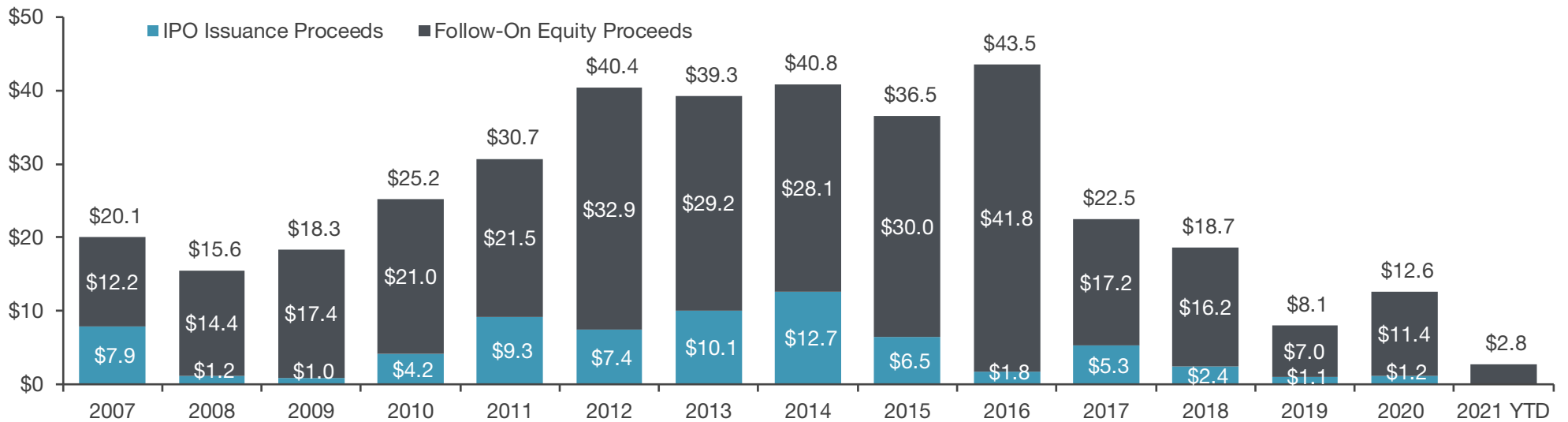
U.S. Energy Equity Issuance¹

(Dollar amounts in billions)

Equity Issuances By Vertical



Issuances By Type



¹ Source: Simmons, Capital IQ, BloombergNEF and Dealogic. Excludes convertible offerings. As of March 10, 2021.

Recent Traditional Energy Follow-On Offerings¹

(Dollar amounts in millions)

Pricing Date	Issuer	Subsector	Type	Primary Proceeds	Secondary Proceeds	Total Proceeds	Market Value ²	Proceeds / Market Value	% Price Change	
									File / Offer	1-Day
3/8/2021	Cactus Inc	OFS	CMFO	\$ -	\$ 173	\$ 173	\$ 1,556	11.1%	(17.1%)	0.1%
3/2/2021	Magnolia Oil & Gas Corp	E&P	CMFO	-	205	205	1,929	10.6%	(0.1%)	0.1%
2/9/2021	Liberty Oilfield Services Inc	OFS	Bought	-	115	115	1,952	5.9%	(6.8%)	(1.7%)
10/27/2020	EQT Corp	E&P	CMFO	357	-	357	4,502	7.9%	(4.1%)	1.8%
8/13/2020	Southwestern Energy Co	E&P	Market	158	-	158	1,768	8.9%	(17.8%)	24.4%
5/14/2020	Comstock Resources Inc	E&P	CMFO	207	-	207	1,507	13.7%	(23.1%)	(11.2%)
7/31/2019	Borr Drilling Ltd	OFS	Market	53	-	53	1,048	5.1%	(3.4%)	5.1%
7/8/2019	Liberty Oilfield Services Inc	OFS	Bought	-	115	115	1,766	6.5%	(6.0%)	(4.6%)
3/19/2019	Cactus Inc	OFS	Bought	-	308	308	1,429	21.6%	(3.9%)	(1.0%)
2/26/2019	Viper Energy Partners LP	E&P	CMFO	350	-	350	2,118	16.5%	(5.4%)	1.9%
12/3/2018	Keane Group Inc	OFS	Bought	-	57	57	1,179	4.8%	(3.5%)	(9.0%)
11/26/2018	Kosmos Energy Ltd	E&P	Bought	-	94	94	2,502	3.7%	(5.9%)	4.1%
8/14/2018	Carrizo Oil & Gas Inc	E&P	Bought	219	-	219	2,228	9.8%	(5.3%)	(1.6%)
7/31/2018	Viper Energy Partners LP	E&P	CMFO	315	-	315	3,962	8.0%	(2.3%)	10.1%
7/11/2018	Cactus Inc	OFS	CMFO	372	-	372	2,897	12.9%	(6.6%)	1.0%
6/26/2018	Mammoth Energy Services Inc	OFS	Bought	-	153	153	1,780	8.6%	(4.0%)	(6.5%)
6/18/2018	Tellurian Inc	E&P	Bought	119	-	119	2,617	4.5%	(9.0%)	(3.4%)
6/12/2018	USA Compression Partners LP	OFS	Bought	-	81	81	1,732	4.7%	(9.9%)	0.3%
5/24/2018	Callon Petroleum Co	E&P	CMFO	299	-	299	2,839	10.5%	(5.5%)	1.4%
5/15/2018	Matador Resources Co	E&P	Bought	229	-	229	3,931	5.8%	(3.1%)	0.4%
5/10/2018	Nabors Industries Ltd	OFS	Bought	312	-	312	2,872	10.9%	(3.5%)	2.2%
5/10/2018	ProPetro Holding Corp	OFS	Bought	-	264	264	1,617	16.3%	(1.4%)	0.4%
2/22/2018	Oil States International Inc	OFS	Bought	-	154	154	1,590	9.7%	(2.1%)	0.2%
2/6/2018	Halcon Resources Corp	E&P	CMFO	63	-	63	1,201	5.3%	(8.9%)	(0.6%)
1/17/2018	Keane Group Inc	OFS	Market	-	280	280	2,070	13.5%	(2.7%)	(1.6%)
Mean						\$ 202	\$ 2,184	9.5%	(6.5%)	0.5%
Median						\$ 205	\$ 1,929	8.9%	(5.3%)	0.2%

OFS Follow-On Offerings

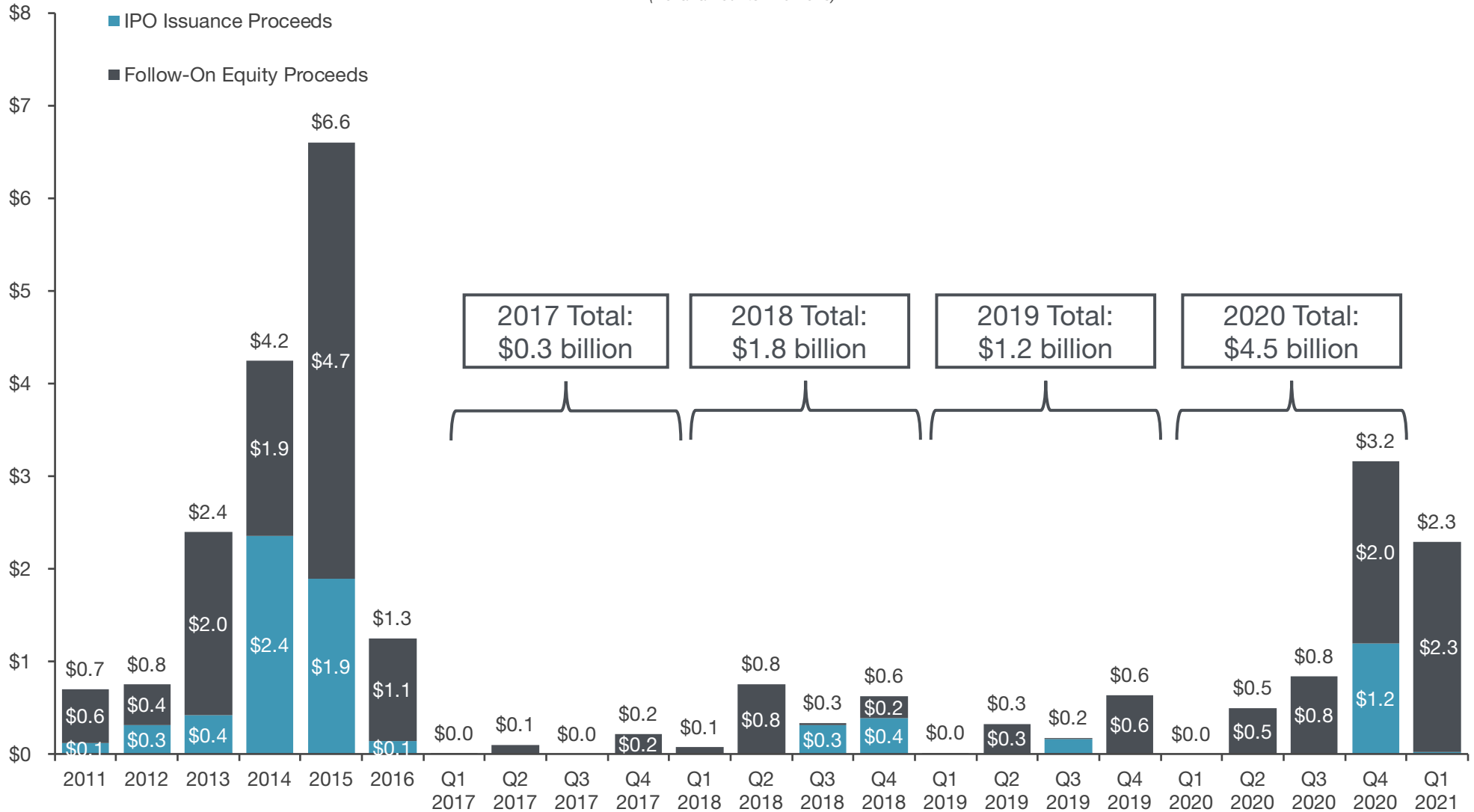
¹ Source: Capital IQ and Dealogic. As of March 10, 2021. Includes recent offerings from companies with post-offering market caps greater than \$1 billion and less than \$4 billion, with the exception of EQT CMFO priced on 10/27/20. Excludes MLP and royalty trust offerings.

² Reflects market value post-deal.

Alternative/Renewable Energy Equity Offering Activity Has Slowed¹

U.S. Alternative/Renewable Energy Public Equity Offering Activity Since 2011

(Dollar amounts in billions)



¹ Source: Simmons, Capital IQ, Bloomberg and Dealogic. Excludes convertible offerings. As of March 10, 2021.

Recent U.S. All Energy Convertible Offering Activity¹

(Dollar amounts in millions)

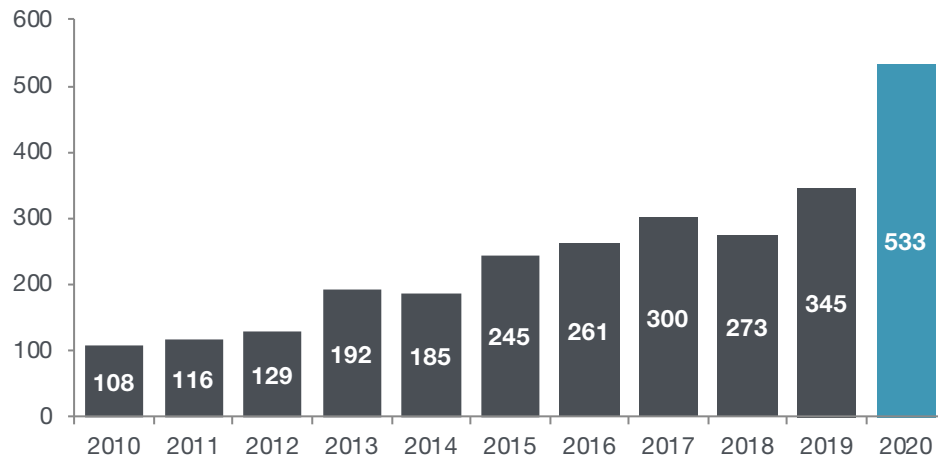
Pricing Date	Issuer	Ticker	Size of Offering	Market Value	Type	Conversion Premium	Coupon	Term (Years)	Subsector
3/3/2021	AES Corp	AES	\$1,000	\$17,291	CONV - Pref	24.0%	6.88%	3.0	UTIL
2/10/2021	Spire Inc	SR	\$160	\$3,319	CONV - Pref	22.5%	7.50%	3.0	UTIL
1/25/2021	Sunrun Inc.	RUN	\$400	\$15,528	CONV - Debt	50.0%	0.00%	5.0	ARE
12/1/2020	NextEra Energy Partners LP	NEP	\$600	\$4,633	CONV - Debt	20.0%	0.00%	5.0	ARE
9/16/2020	NextEra Energy Inc	NEE	\$2,000	\$144,790	CONV - Pref	25.0%	6.22%	3.0	ARE
8/18/2020	Antero Resources Corp	AR	\$250	\$972	CONV - Debt	20.0%	4.25%	6.0	E&P
8/12/2020	Helix Energy Solutions Group Inc	HLX	\$200	\$722	CONV - Debt	45.0%	6.75%	5.5	OFS
7/14/2020	Atlantica Sustainable Infrastructure plc	AY	\$100	\$2,909	CONV - Debt	20.0%	4.00%	5.0	ARE
5/13/2020	Plug Power Inc	PLUG	\$200	\$1,386	CONV - Debt	22.5%	3.75%	5.0	ARE
5/12/2020	Pioneer Natural Resources	PXD	\$1,323	\$14,836	CONV - Debt	30.0%	0.25%	5.0	E&P
4/28/2020	CNX Resources Corp	CNX	\$345	\$2,002	CONV - Debt	20.0%	2.25%	6.0	E&P
4/23/2020	EQT Corp	EQT	\$440	\$3,193	CONV - Debt	20.0%	1.75%	6.0	E&P
2/19/2020	NextEra Energy Inc	NEE	\$2,500	\$137,854	CONV - Pref	25.0%	5.00%	5.0	ARE
6/18/2019	Green Plains Inc	GPRE	\$115	\$516	CONV - Debt	25.0%	4.00%	5.0	ARE
5/30/2019	Enphase Energy Inc	ENPH	\$132	\$1,738	CONV - Debt	30.0%	1.00%	5.0	ARE

¹ Source: Bloomberg and Dealogic. As of March 10, 2021. Only includes deals with offerings >\$50 million.

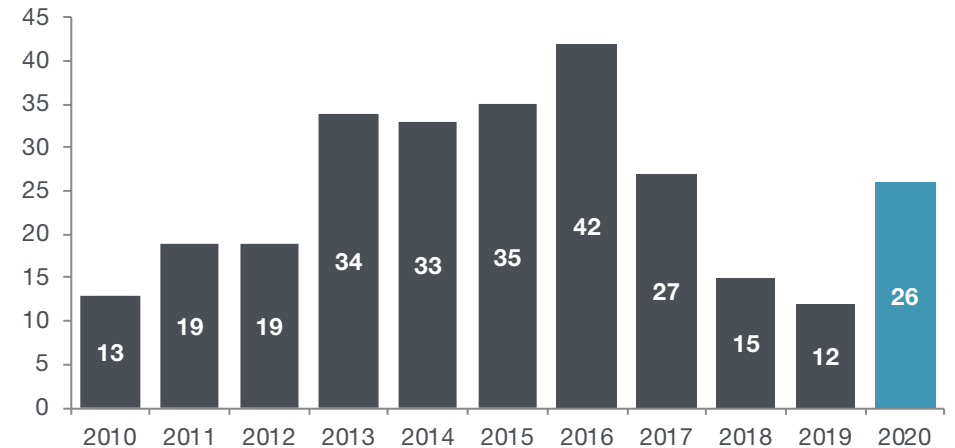
ATM Market Overview

- ATMs have continued to rise in popularity for issuers across all sectors; well north of 500 programs filed in 2020
- 26 ATMs filed were filed in 2020 for energy sector issuers, which represents the most since 2017

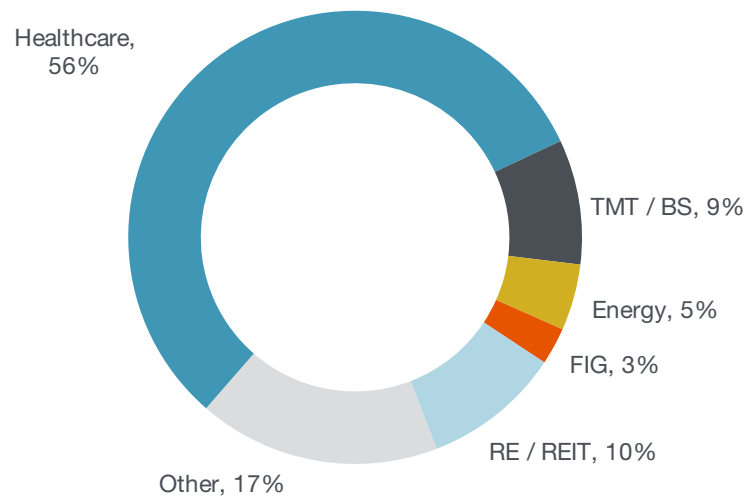
of Announced ATMs Since 2010



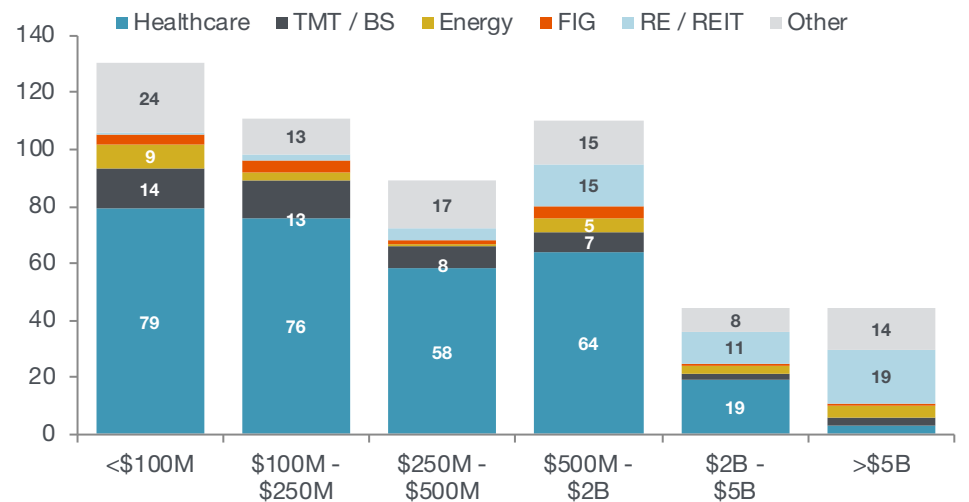
of Announced Energy ATMs Since 2010



2020 ATM Filings by Sector



2020 ATM Filings by Market Capitalization



Source: Piper Sandler ECM and Dealogic as of 12/31/20; excludes closed-end funds
Energy does not include utilities, mining or industrials/power issuers

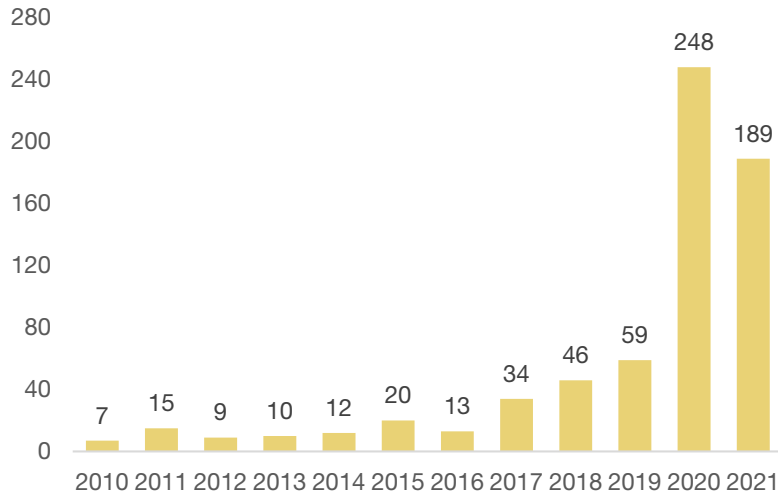
SPAC Market Overview¹

98
SPACs IPO'd
in February
2021, raising
\$34.3B
in proceeds

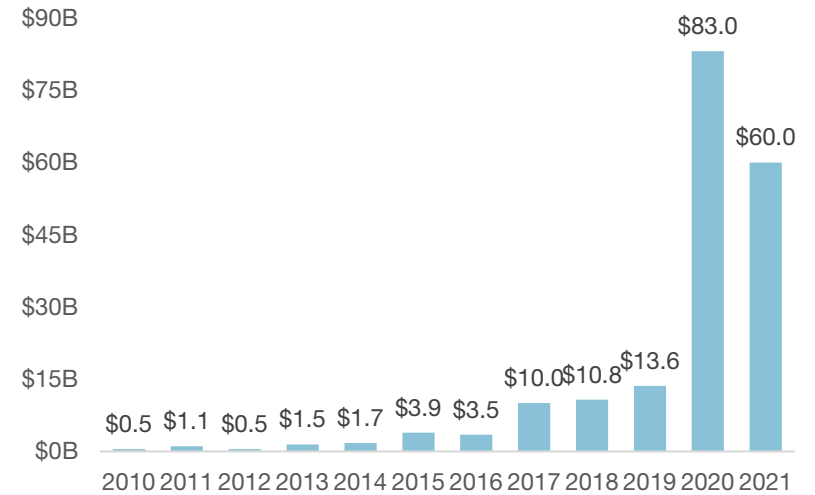
95
SPAC mergers
awaiting
closing

14
SPAC mergers
closed
in 2021 YTD

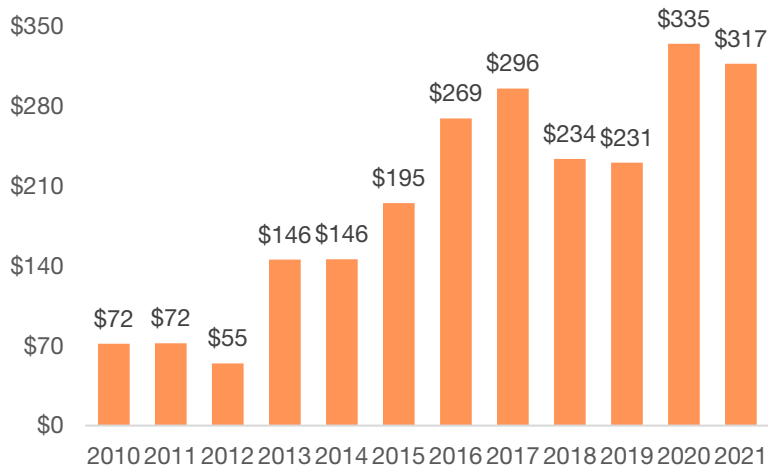
SPAC IPOs



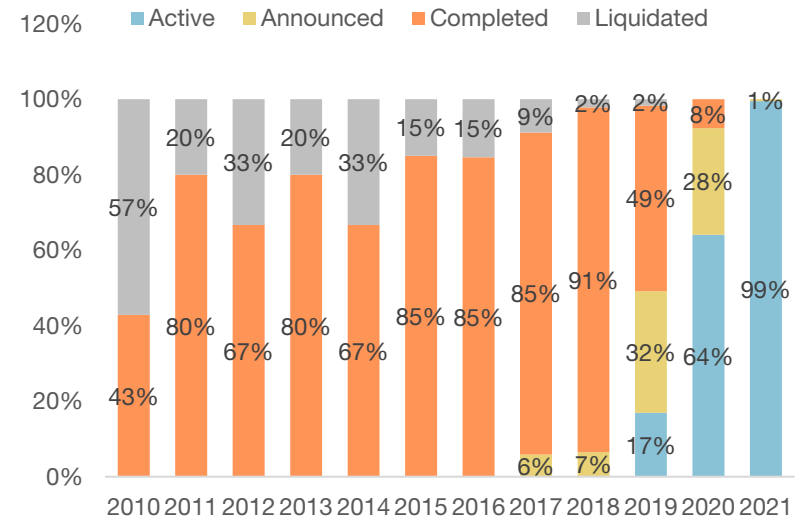
SPAC IPO Total Proceeds (\$B)



Average IPO Proceeds (\$M)



SPAC Status by IPO Year



¹ Source: SPAC Insider as of February 28, 2021

Houston | Aberdeen | London

For information on other Piper Sandler locations, visit [PiperSandler.com](https://www.PiperSandler.com)

SIMMONS ENERGY

A DIVISION OF PIPER SANDLER

Piper Sandler Companies (NYSE: PIPR) is a leading investment bank and institutional securities firm driven to help clients Realize the Power of Partnership®. Securities brokerage and investment banking services are offered in the U.S. through Piper Sandler & Co., member SIPC and NYSE; in Europe through Piper Sandler Ltd., authorized and regulated by the U.K. Financial Conduct Authority; and in Hong Kong through Piper Sandler Hong Kong Limited, authorized and regulated by the Securities and Futures Commission. Asset management products and services are offered through separate investment advisory affiliates.

©2020. Since 1895. Piper Sandler Companies. 800 Nicollet Mall, Minneapolis, Minnesota 55402-7036