

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 30, 2020



Lilis Energy, Inc.

(Exact name of registrant as specified in its charter)

Nevada
(state or other jurisdiction
of incorporation)

001-35330
(Commission File Number)

74-3231613
(IRS Employer
Identification No.)

1600 West 7th Street, Suite 400
Fort Worth, TX 76102
(Address of principal executive office, including zip code)

(817) 720-9585
Registrant's telephone number, including area code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act: None.

* On June 29, 2020, the issuer's common stock was suspended from trading on the NYSE American. Effective June 30, 2020, trades in the issuer's common stock began to be quoted on the OTC Pink Marketplace under the symbol "LLEXQ". On July 7, 2020, the NYSE American filed a Form 25 with the Securities to strike its listing of the issuer's common stock.

Item 1.01 Entry Into Material Definitive Agreement.

As previously disclosed, on June 28, 2020, Lilis Energy, Inc., a Nevada corporation (the “Company”), and its consolidated subsidiaries Brushy Resources, Inc., ImPetro Operating LLC, ImPetro Resources, LLC, Lilis Operating Company, LLC and Hurricane Resources LLC (collectively, the “Filing Subsidiaries” and, together with the Company, collectively, the “Debtors”) filed voluntary petitions seeking relief under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the “Bankruptcy Court”) commencing cases for relief under Chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”). In connection with the Chapter 11 Cases, on June 30, 2020, the Company entered into that certain Senior Secured Super-Priority Debtor-in-Possession Credit Agreement (as amended on August 17, 2020, August 21, 2020, August 28, 2020, and September 8, 2020, the “DIP Credit Agreement”) with the Filing Subsidiaries, as guarantors, BMO Harris Bank N.A., as administrative agent (the “Administrative Agent”), and the lenders party thereto (the “Lenders”).

On September 30, 2020, the Company, the Filing Subsidiaries, the Administrative Agent and the Lenders entered into a Fifth Amendment (the “Fifth Amendment”) to the DIP Credit Agreement. The Fifth Amendment, among other things, amends the covenant therein with respect to the satisfaction of certain milestones during the course of the Chapter 11 Cases by extending the date by which approval of the Disclosure Statement (as defined in the DIP Credit Agreement) must have been obtained from the Bankruptcy Court and the date by which an Auction (as defined in the DIP Credit Agreement) must have occurred if the Debtors have received more than one qualifying bid satisfying the Approved Bidding Procedures (as defined in the DIP Credit Agreement).

The foregoing description of the Fifth Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Fifth Amendment, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01 Exhibits.

(d) Exhibits.

Exhibit Number	Description
<u>10.1</u>	<u>Fifth Amendment to Senior Secured Super-Priority Debtor-in-Possession Credit Agreement dated as of September 30, 2020, among Lilis Energy Inc., the guarantors party thereto, BMO Harris Bank N.A., as administrative agent, and the lenders party thereto.</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Lilis Energy, Inc.

Date: September 30, 2020

By: /s/ Joseph C. Daches

Joseph C. Daches

Chief Executive Officer, President, and Chief Financial Officer

FIFTH AMENDMENT TO SENIOR SECURED SUPER-PRIORITY DEBTOR-IN-POSSESSION CREDIT AGREEMENT

This FIFTH AMENDMENT TO SENIOR SECURED SUPER-PRIORITY DEBTOR-IN-POSSESSION CREDIT AGREEMENT (this “Agreement”) dated as of September 30, 2020, is among Lilis Energy Inc., a Nevada corporation (the “Borrower”), certain Subsidiaries of the Borrower (the “Guarantors”), BMO Harris Bank N.A. (“BMO”), as Administrative Agent for the Lenders, and the other Lenders from time to time party hereto.

Recitals

A. WHEREAS, the Borrower, the Guarantors, the Lenders party thereto and the Administrative Agent are parties to that certain Senior Secured Super-Priority Debtor-In-Possession Credit Agreement dated as of June 30, 2020 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), pursuant to which the Lenders have made certain credit available to and on behalf of the Borrower.

B. WHEREAS, the Borrower has requested that the Administrative Agent and the Lenders constituting the Majority Lenders enter into this Amendment to, among other things, grant an extension of certain Chapter 11 Milestones as further set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1 Defined Terms. Each capitalized term which is defined in the Credit Agreement, but which is not defined in this Agreement, shall have the meaning ascribed to such term in the Credit Agreement.

Section 2 Amendments. Subject to the occurrence of the Effective Date, the following amendments to the Credit Agreement shall be made:

2.1 Amendments to Section 8.23.

(a) Section 8.23(g) of the Credit Agreement is hereby amended by replacing the phrase “October 2, 2020 with the phrase “October 7, 2020”.

(b) Section 8.23(h) of the Credit Agreement is hereby amended by replacing the phrase “October 13, 2020” with the phrase “October 16, 2020”.

Section 3 Conditions Precedent to Effective Date. This Agreement shall become effective on the date (such date, the “Effective Date”) when each of the following conditions is satisfied (or waived) in accordance with the terms herein:

3.1 The Administrative Agent shall have received from the Borrower, each Guarantor, and Lenders constituting the Majority Lenders, counterparts of this Agreement signed on behalf of such Persons.

3.2 As of the Effective Date, after giving effect to this Agreement, (a) the representations and warranties of each Loan Party set forth in the Credit Agreement and in each other Loan Document shall be true and correct in all material respects (unless already qualified by materiality in which case such

applicable representation and warranty shall be true and correct), except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty shall be true and correct) as of such earlier date and (b) no Default or Event of Default shall have occurred and be continuing.

Each party hereto hereby authorizes and directs the Administrative Agent to declare this Agreement to be effective (and the Effective Date shall occur) when it has received documents confirming or certifying, to the reasonable satisfaction of the Administrative Agent, compliance with the conditions set forth in this Section 3. Such declaration shall be final, conclusive and binding upon all parties to the Credit Agreement for all purposes.

Section 4 Miscellaneous.

4.1 Limitation of Waivers. Nothing contained in this Agreement shall directly or indirectly in any way whatsoever, except as set forth herein, amend or alter any provision of the Credit Agreement, the other Loan Documents, or any other contract or instrument.

4.2 Confirmation. The provisions of the Credit Agreement and each Loan Document shall remain in full force and effect following the Effective Date.

4.3 Ratification and Affirmation; Representations and Warranties. Each of the Guarantors and the Borrower certifies to the Lenders, on the Effective Date, as applicable, that, after giving effect to this Agreement and the amendments and transactions occurring on the Effective Date, (a) the representations and warranties of each Loan Party set forth in the Credit Agreement and in each other Loan Document are true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty are true and correct), except to the extent such representations and warranties expressly relate to an earlier date, in which case they are true and correct in all material respects (unless already qualified by materiality in which case such applicable representation and warranty are true and correct) as of such earlier date and (b) no Default or Event of Default has occurred and is continuing.

4.4 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by email or facsimile transmission shall be effective as delivery of a manually executed counterpart hereof. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent. Without limiting the generality of the foregoing, the Borrower hereby (i) agrees that, for all purposes, including without limitation, in connection with any workout, restructuring, enforcement of remedies, bankruptcy proceedings or litigation among the Administrative Agent, the Lenders and the Borrower and its Subsidiaries, electronic images of this Agreement or any other Loan Documents (in each case, including with respect to any signature pages thereto) shall have the same legal effect, validity and enforceability as any paper original, and (ii) waives any argument, defense or right to contest the validity

or enforceability of the Loan Documents based solely on the lack of paper original copies of any Loan Documents, including with respect to any signature pages thereto.

4.5 No Oral Agreement. This Agreement, the Credit Agreement, the other Loan Documents and any separate letter agreement with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and thereof and supersede any and all previous agreement and understandings, oral or written, relating to the subject matter hereof and thereof. THIS AGREEMENT, THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENT OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

4.6 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

4.7 WAIVER OF RIGHT TO TRIAL BY JURY. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.

4.8 Severability. Any provision of this Agreement or any other Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof or thereof, and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

4.9 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns in accordance with Section 12.04 of the Credit Agreement.

4.10 Loan Documents. This Agreement is a Loan Document.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed effective as of the Effective Date.

BORROWER:

LILIS ENERGY, INC.

By: /s/ Joseph C. Daches

Name: Joseph C. Daches

Title: Chief Executive Officer, President and Chief Financial Officer

GUARANTORS:

BRUSHY RESOURCES, INC.

HURRICANE RESOURCES LLC

IMPETRO OPERATING LLC

LILIS OPERATING COMPANY, LLC

IMPETRO RESOURCES, LLC

Each By: /s/ Joseph C. Daches

Name: Joseph C. Daches

Title: Chief Executive Officer, President and Chief Financial Officer

ADMINISTRATIVE AGENT:

BMO HARRIS BANK N.A.,
as Administrative Agent, and a Lender

By: /s/ Melissa Guzmann
Name: Melissa Guzmann
Title: Director

LENDERS:

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender

By: _____
Robinson
Name:
Robinson
Title:

/s/ Michael P.
Michael P.
Vice President

By:
Kane
Name:
Title:
Signatory

/s/ Megan
Megan Kane
Authorized

By:
Siffer
Name:
Title:
Signatory

/s/ Didier
Didier Siffer
Authorized