



CreditRiskMonitor’s warning of Halcón Resources Corporation (“Halcón”) bankruptcy risk was determined by a combination of factors:

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MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's FRISK® score had been warning of financial stress at Halcón Resources Corporation (OTC: HKRSQ) for more than a year.

The company ultimately filed for bankruptcy on August 7, 2019

Business Name	2018					2019						
	S	O	N	D	J	F	M	A	M	J	J	A
Halcon Resources Corporation	4	3	3	2	1	1	2	2	1	1	1	1

BANKRUPT!

The FRISK® score is 96% accurate* in predicting the risk of corporate failure/bankruptcy over a 12-month horizon. All FRISK® scores are recalculated every night for each subsequent 12-month period.

Probability of bankruptcy within 12 months			
	FRISK®	From	To
Best	10	0.00%	0.12%
	9	0.12%	0.27%
	8	0.27%	0.34%
	7	0.34%	0.55%
	6	0.55%	0.87%
	5	0.87%	1.40%
	4	1.40%	2.10%
	3	2.10%	4.00%
	2	4.00%	9.99%
Worst	1	9.99%	50.00%

While the percentage risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. A FRISK® score of 5 or less is an important warning sign.

*FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:

A “Merton” type model using stock market capitalization and volatility

Financial ratios, including those used in the Altman Z”-Score Model

Bond agency ratings from Moody’s, Fitch, & DBRS

Crowdsourced CreditRiskMonitor Usage Data

Crowdsourcing has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same “Fair Disclosure” restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company’s management and sales representatives to be alerted to concerns in a public company’s performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

[Read more in Credit Research Foundation’s quarterly journal article, “Assessing Public Company Financial Risk by Crowdsourcing the Research of Credit Professionals”](#)

COMPANY REPORT DETAIL

Halcon Resources Corporation

1000 Louisiana St Ste 1500
 HOUSTON, TX 77002-5018 United States
 Phone: (832) 538-0300 Ticker: **HKRSO**

Filed for Bankruptcy on 8/7/2019
 Case #19-34446, filed in the U.S. Bankruptcy Court for the Southern District of Texas (Houston)

Latest Financial Statements as of 6/30/2019

Business Summary

Halcon Resources Corporation is an independent energy company. The Company is focused on the acquisition, production, exploration and development of onshore liquids-rich oil and natural gas assets in the United States. The Company operates in one segment, which focuses on oil and natural gas acquisition, production, exploration and development. The Company's principal properties consist of leasehold interests in developed and undeveloped oil and natural gas properties and the reserves associated with these properties. The Company has working interests in approximately 56,900 net acres in the Delaware Basin in Pecos, Reeves, Ward and Winkler Counties, Texas. It has approximately 104 operated wells producing in this area in addition to minor working interests in approximately 19 non-operated wells.

(Source: 10-K)

Employees: 116 (as of 12/31/2018) Incorporated: 2/5/2004 Federal Tax Id: 200700684

Credit Score History

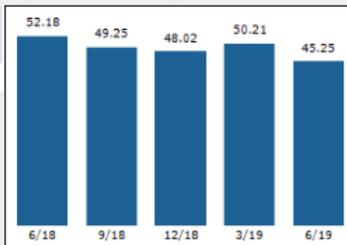
Why are these scores different? **FRISK® Score Analysis**

Score/ Index	2018					2019					FRISK®			
	S	O	N	D	J	F	M	A	M	J		J	A	S
FRISK® Score*	4	3	3	2	1	1	2	2	1	1	1	1	1	F
DBT Index	8	8	8	8	8	8	9	9	9	9	9	7	8	DBT
Z"-Score	2.74	0.38			1.82				-1				<-10	

*FRISK® Scores are month-end

- Probability of bankruptcy within 12 months is 10% to 50%.
- Trade payments are prompt, "cloaking" the risk.
- Market Capitalization has declined by 96% over the last 12 months.
- Total Liabilities are 38 times larger than Market Capitalization.
- Financial statement ratios indicate financial stress.

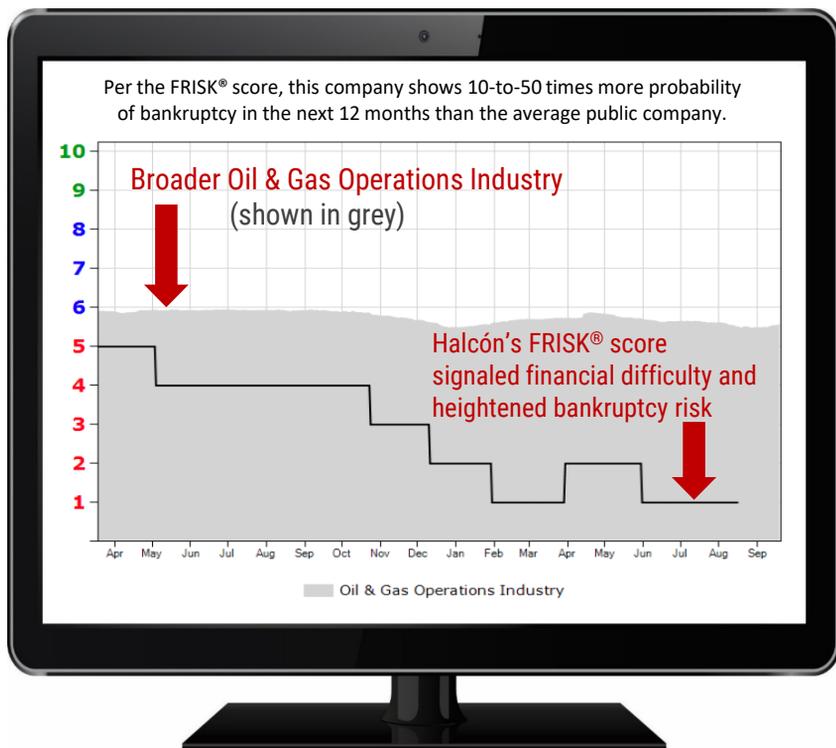
Days Sales Outstanding



The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, which is very similar to D&B's PAYDEX® score, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing. This is what's commonly called the "Cloaking Effect."

FRISK® DEEP DIVE



The FRISK® score relative to the broader Oil & Gas operations industry raised an additional red flag signaling heightened risk relative to peers, as well...

MAKING IMMEDIATE ATTENTION REQUIRED.

ADJUSTED MARKET CAP VOLATILITY



One of the inputs of the FRISK® score is a company's market cap volatility, adjusted for dividends, over the course of a year. Incorporating this information allows us to capture the "wisdom of markets" on a daily basis. This ensures our subscribers are getting the most up to date view of the risks they face since stocks tend to be more liquid and faster moving than bond prices and ratings.

FRISK® STRESS INDEX

#	Business Name	Country	FRISK® score
1	Alta Mesa Resources Inc	United States	1
2	Approach Resources Inc.	United States	1
3	California Resources Corp	United States	1
4	Denbury Resources Inc.	United States	1
5	EP Energy LLC	United States	1
6	Halcon Resources Corporation	United States	1
7	MIE Holdings Corp	China	1
8	Nagarjuna Oil Refinery Ltd	India	1
9	Nu-Oil and Gas PLC	United Kingdom	1
10	Oracle Energy Corp.	Canada	1

FRISK® Stress Index - SIC classification: Crude petroleum and natural gas

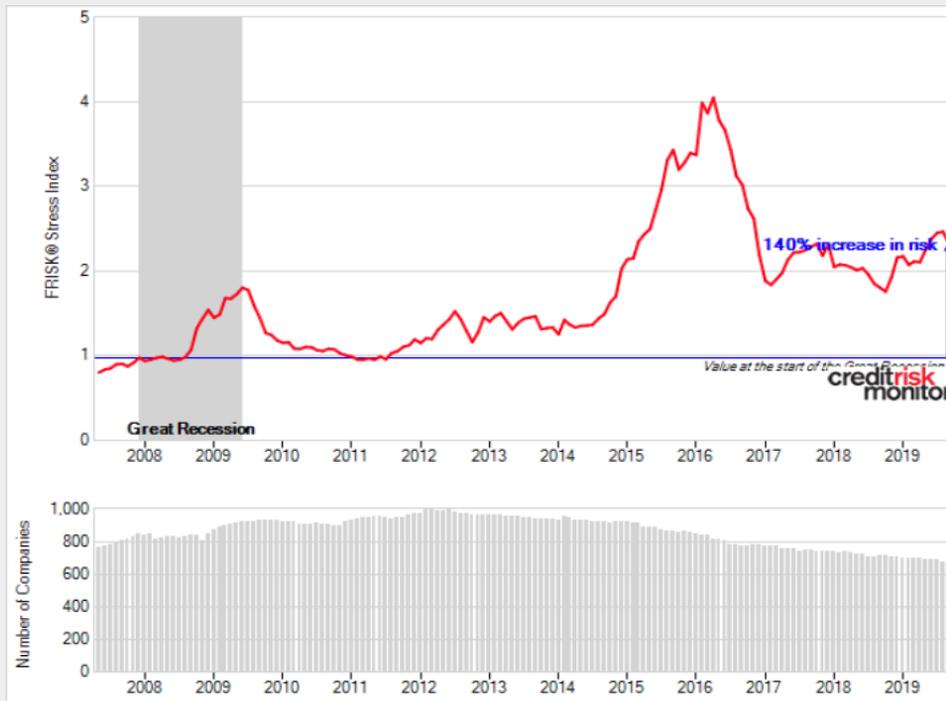
Primary industry codes only
 Primary and secondary industry codes

Businesses From: All Businesses CLEAR
 In Industry: SIC 1311: Crude petroleum and natural gas
 Country: All Countries

UPDATE RESULTS

Scale: Auto

Total Companies in all months 1,587



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

The average probability of failure for SIC code 1311 (Crude petroleum and natural gas) has increased 140% since 2007. Halcón was among the weakest names in the industry as evidenced by its FRISK® score of 1.

PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers

SIC classification: Crude petroleum and natural gas

Calendar Year/Quarter: 2019.2

Businesses in Peer Group: 3248	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
Credit Ratings						
Z-Score	525	615	-12.46	-37,500.46	1.30	454.27
Performance ratios:						
Net Sales (Thousands of U.S. Dollars)	155	291				
Gross Margin % Of Sales	144	562				
Gross Margin % Of Sales -- TTM	125	573				
SGA % Of Sales	443	590				
SGA % Of Sales -- TTM	449	598				
Operating Margin % Of Sales	599	623				
Operating Margin % Of Sales -- TTM	584	626				
EBITDA Margin Of Sales	445	449				
EBITDA Margin Of Sales -- TTM	454	472				
Net Profit Margin % Of Sales	600	624				
Net Profit Margin % Of Sales -- TTM	583	626	-396.37	-39,484.44	5.87	16,702.08
Pre-tax Income % Of Sales	600	64	-1,225.92	-88,630.77	10.06	12,900.00
Effective Tax Rate	230	558	7.28	-2,287.50	16.91	19,100.00
Depreciation % Of Prop/Plant/Equipment	366	586	11.46	0.00	9.78	400.32
Capital Expense % Of Prop/Plant/Equipment	423	404	26.12	0.00	10.55	52,686.90
Interest Coverage	427	439	-45.15	-17,899.26	5.16	391.31
Interest Coverage -- TTM	426	481	-4.48	-8,631.14	3.61	500.40
Liquidity ratios:						
Cash Ratio	579	642	0.00	-0.01	0.29	336.33
Quick Ratio	571	590	0.03	-0.00	0.71	337.84
Current Ratio	602	642				
Efficiency ratios:						
Accounts Receivable Turnover	278	620				
Days Sales Outstanding	328	625				
% of Inventory Financed by Vendors		269				
% of Inventory Financed by Vendors -- TTM		299				
Inventory Turnover		384				
Inventory Turnover -- TTM		389				
Days Sales in Inventory		361				
Inventory to Working Capital		359				
Accounts Payable Turnover	334	439	0.82	-1.36	3.40	2,194.50
Accounts Payable Turnover -- TTM	352	450	0.73	-1.11	3.60	3,432.95
Leverage & debt coverage:						
Total Debt to Equity Ratio	472	495	3.74	0.00	0.52	303.44
Debt to Tangible Equity Ratio	449	479	3.74	0.00	0.59	303.44
Total Debt to Assets Ratio	505	565	0.69	0.00	0.27	5,630.51
Short-Term Debt % of Total Debt	485	489	100.00	0.00	19.95	100.00
Short-Term Debt % of Working Capital	351	495	-92.38	-27,020.32	0.00	5,112.68
Liabilities to Net Worth Ratio	509	557	4.40	0.00	0.98	639.21
Total Liabilities to Equity Ratio	533	574	4.40	0.00	0.95	639.21
TTM EBITDA to Total Debt	419	455	-0.99	-312.48	0.36	273.36
Net Debt to TTM EBITDA		354		-109.73	1.64	179.77

Rank	Company Name	Country
1	AAG Energy Holdings Ltd	Hong Kong
2	Ipek Dogal Enerji Kynklr Arstrm v Urtm AS	Turkey
3	Griffin Mining Ltd	United Kingdom
4	United States Lime & Minerals Inc	United States
5	Evolution Petroleum Corp	United States

Rank	Company Name	Country
1	Brigham Minerals Inc	United States
2	Basic Energy Corp.	Philippines
3	Cadogan Petroleum Plc	Ukraine
4	Ageagle Aerial Systems Inc	United States
5	Liquefied Natural Gas Ltd	Australia

Green - Ranked in Upper Quartile of Peer Group
White - Ranked in the Middle Two Quartiles of Peer Group
Red - Ranked in Lower Quartile of Peer Group
Orange - Confidential
Grey - Data is Not Available

TTM = trailing 12 months
N/A = Not Available

Halcón demonstrated bottom quartile ranking in key financial ratios (shown in red) versus its industry peers.

QUARTERLY PERFORMANCE RATIOS

Recurring operating & net losses

Interest coverage ratio turns negative; negative free cash flow

Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 6/30/2019	3 mos 3/31/2019	3 mos 12/31/2018	3 mos 9/30/2018	3 mos 6/30/2018
Net Sales \$	\$56,378	\$51,916	\$60,344	\$61,595	\$55,415
% change	8.59%	-13.97%	-2.03%	11.15%	12.51%
Gross Margin \$	\$41,537	\$35,084	\$46,994	\$54,842	\$48,145
% change	18.39%	-25.34%	-14.31%	13.91%	12.02%
% of sales	73.68%	67.58%	77.88%	89.04%	86.88%
change as % of incremental sales	144.62%	n/m	n/m	108.37%	83.86%
SG&A \$	\$15,827	\$7,501	\$15,835	\$23,288	\$17,481
% change	111.00%	-52.63%	-32.00%	33.22%	-4.16%
% of sales	28.07%	14.45%	26.24%	37.81%	31.55%
change as % of incremental sales	186.60%	n/m	n/m	93.96%	-12.31%
Operating margin \$	(\$693,690)	(\$304,656)	\$95,724	(\$8,491)	\$6,360
% change	-127.70%	-418.27%	1,227.36%	-233.51%	537.72%
% of sales	-1,230.43%	-586.82%	158.63%	-13.79%	11.48%
change as % of incremental sales	-8,718.83%	n/m	n/m	-240.31%	126.83%
EBITDA \$	(\$653,265)	(\$274,681)	\$120,854	\$11,819	\$22,456
% change	-137.83%	-327.28%	922.54%	-47.37%	54.46%
% of sales	-1,158.72%	-529.09%	200.28%	19.19%	40.52%
change as % of incremental sales	-8,484.63%	n/m	n/m	-172.12%	128.54%
EBIT \$	(\$693,690)	(\$304,656)	\$95,724	(\$8,491)	\$6,360
% change	-127.70%	-418.27%	1,227.36%	-233.51%	537.72%
% of sales	-1,230.43%	-586.82%	158.63%	-13.79%	11.48%
change as % of incremental sales	-8,718.83%	n/m	n/m	-240.31%	126.83%
Pre-tax income \$	(\$691,150)	(\$382,044)	\$242,459	(\$81,837)	(\$16,274)
% change	-80.91%	-257.57%	396.27%	-402.87%	-526.40%
% of sales	-1,225.92%	-735.89%	401.79%	-132.86%	-29.37%
change as % of incremental sales	-6,927.52%	n/m	n/m	-1,060.89%	-222.01%
Net income (loss) \$	(\$640,844)	(\$336,559)	\$146,668	(\$81,837)	(\$16,274)
% change	-90.41%	-329.47%	279.22%	-402.87%	-526.40%
% of sales	-1,136.69%	-648.28%	243.05%	-132.86%	-29.37%
change as % of incremental sales	-6,819.48%	n/m	n/m	-1,060.89%	-222.01%
Tax expense \$	(\$50,306)	(\$45,485)	\$95,791	\$0	\$0
Effective tax rate	7.28%	11.91%	39.51%	0.00%	0.00%
Depreciation expense \$	\$40,425	\$29,975	\$25,130	\$20,310	\$16,096
% of sales	71.70%	57.74%	41.64%	32.97%	29.05%
% of capital expenses	43.89%	26.85%	17.45%	14.15%	11.29%
% of PP&E, net (annualized)	11.46%	6.56%	5.25%	4.40%	4.01%
Capital expenditures \$	\$92,115	\$111,621	\$143,987	\$143,490	\$142,563
% change	-17.48%	-22.48%	0.35%	0.65%	-12.34%
% of PP&E, net (annualized)	26.12%	24.43%	30.06%	31.10%	35.55%
% of working capital (annualized)	-68.84%	-406.63%	-676.12%	-645.08%	403.09%
Interest coverage ratio	(45.15)	(3.55)	9.67	0.16	0.96
% change	-1,171.94%	-136.69%	5,904.78%	-83.26%	-36.44%
Free cash flow \$	(\$82,179)	(\$148,455)	(\$113,541)	(\$150,359)	(\$86,403)
% change	44.64%	-30.75%	24.49%	-74.02%	50.69%
Source:	10-Q 8/9/2019	10-Q 5/9/2019	10-K 3/12/2019	10-Q 11/8/2018	10-Q 8/1/2018

QUARTERLY LEVERAGE RATIOS

Total debt in relation to tangible net worth has increased significantly, indicating heightened risk

Creditors' degree of protection from loss declines as the total debt to assets ratio worsens

Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	6/30/2019	3/31/2019	12/31/2018	9/30/2018	6/30/2018
Total debt \$	\$801,887	\$718,493	\$613,105	\$667,726	\$612,353
% change	11.61%	17.19%	-8.18%	9.04%	0.05%
Stockholders' equity \$	\$214,157	\$853,663	\$1,197,044	\$1,046,450	\$1,122,883
% change	-74.91%	-28.69%	14.39%	-6.81%	-1.00%
Total debt to equity ratio	3.74	0.84	0.51	0.64	0.55
% change	344.86%	64.33%	-19.73%	17.02%	1.06%
Tangible net worth \$	\$214,157	\$853,663	\$1,197,044	\$1,046,450	\$1,122,883
% change	-74.91%	-28.69%	14.39%	-6.81%	-1.00%
Total debt to tangible net worth	3.74	0.84	0.51	0.64	0.55
% change	344.86%	64.33%	-19.73%	17.02%	1.06%
Total assets \$	\$1,155,473	\$1,798,838	\$2,083,609	\$1,986,300	\$1,951,809
% change	-35.77%	-13.67%	4.90%	1.77%	2.83%
Total debt to assets ratio	0.69	0.40	0.29	0.34	0.31
% change	73.76%	35.71%	-12.46%	7.17%	-2.73%
Tangible assets \$	\$1,155,473	\$1,798,838	\$2,083,609	\$1,986,300	\$1,951,809
% change	-35.77%	-13.67%	4.90%	1.77%	2.83%
Short-term debt \$	\$801,887	\$105,000	n/a	n/a	n/a
% change	663.70%	n/a	n/a	n/a	n/a
Short-term debt % of total debt	100.00%	14.61%	n/a	n/a	n/a
% change	584.28%	n/a	n/a	n/a	n/a
Short-term debt % of working capital	-92.38%	-51.85%	n/a	n/a	n/a
% change	-78.17%	n/a	n/a	n/a	n/a
Total liabilities \$	\$941,316	\$945,175	\$886,565	\$939,850	\$828,926
% change	-0.41%	6.61%	-5.67%	13.38%	8.52%
Total liabilities to equity ratio	4.40	1.11	0.74	0.90	0.74
% change	296.98%	49.50%	-17.54%	21.66%	9.61%
Total liabilities to tangible net worth ratio	4.40	1.11	0.74	0.90	0.74
% change	296.98%	49.50%	-17.54%	21.66%	9.61%
Total debt to EBITDA ratio (annualized)	1.27	14.12	6.82	10.12	14.12
% change	19.02%	107.18%	-35.23%	10-Q	10-Q
Source:	11/8/2018	8/1/2018			

Due to covenant violations, Senior Credit Agreement debt was reclassified as current. Such a drastic jump in short-term debt often precedes a bankruptcy filing.

QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Negative working capital

Insufficient cash, quick, & current ratios

Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	6/30/2019	3/31/2019	12/31/2018	9/30/2018	6/30/2018
Current assets \$	\$59,212	\$61,457	\$144,652	\$74,423	\$164,383
% change	-3.65%	-57.51%	94.36%	-54.73%	-63.28%
% of short-term debt	7.38%	58.53%	n/a	n/a	n/a
Current liabilities \$	\$927,235	\$263,970	\$161,742	\$227,702	\$189,054
% change	251.27%	63.20%	-28.97%	20.44%	34.99%
Working capital \$	(\$868,023)	(\$202,513)	(\$17,090)	(\$153,279)	(\$24,671)
% change	-328.63%	-1,084.98%	88.85%	-521.29%	-108.02%
% of sales (annualized)	-384.91%	-97.52%	-7.08%	-62.21%	-11.13%
Cash \$	\$2,238	\$195	\$46,866	\$137	\$95,870
% change	1,047.69%	-99.58%	34,108.76%	-99.86%	-74.91%
% of short-term debt	0.28%	0.19%	n/a	n/a	n/a
Cash ratio	0.00	0.00	0.29	0.00	0.51
% change	242.86%	-99.76%	48,200.00%	-99.88%	-81.41%
Quick assets \$	\$27,446	\$30,900	\$73,298	\$37,222	\$125,276
% change	-11.18%	-57.84%	96.92%	-70.29%	-69.89%
% of short-term debt	3.42%	29.43%	n/a	n/a	n/a
Quick ratio	0.03	0.12	0.45	0.16	0.66
% change	-74.72%	-74.16%	177.19%	-75.32%	-77.69%
Current ratio	0.06	0.23	0.89	0.33	0.87
% change	-72.55%	-73.97%	173.65%	-62.42%	-72.80%
Source:	10-Q 8/9/2019	10-Q 5/9/2019	10-K 3/12/2019	10-Q 11/8/2018	10-Q 8/1/2018

Negative rates of return in 4 of the last 5 quarters

Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	13 weeks 10/29/2016	13 weeks 7/30/2016	13 weeks 4/30/2016	13 weeks 1/30/2016	13 weeks 10/31/2015
Return on equity	-17.64%	-18.28%	-4.64%	3.17%	-7.57%
% change	3.49%	-293.64%	-246.27%	141.93%	2.26%
Return on net tangible equity	-18.89%	-19.33%	-4.90%	3.35%	-7.97%
% change	2.27%	-294.69%	-246.09%	142.09%	1.92%
Return on total assets	-1.86%	-2.56%	-0.70%	0.42%	-1.02%
% change	27.25%	-263.96%	-268.34%	140.83%	17.41%
Return on tangible assets	-1.87%	-2.58%	-0.71%	0.42%	-1.03%
% change	27.29%	-263.86%	-268.52%	140.83%	17.46%
Source:	10-Q 12/8/2016	10-Q 9/8/2016	10-Q 6/8/2016	10-K 4/1/2016	10-Q 12/10/2015

YEAR-OVER-YEAR STATEMENT OF CASH FLOWS

Negative cash from operating activities

Statement of Cash Flows - Year-over-Year - Standardized - Year to Date

(Thousands of U.S. Dollars)

Period Ended	6 mos 6/30/2019	6 mos 6/30/2018	6 mos 6/30/2017	6 mos 6/30/2016	6 mos 6/30/2015
Cash Flows from Operating Activities:					
Net income	(\$977,403)	(\$18,872)	\$209,529	(\$914,302)	(\$1,676,253)
Depreciation/depletion	70,400	32,087	64,848	94,937	220,338
Deferred taxes	(95,791)	n/a	n/a	n/a	n/a
Non-cash Items	996,105	41,426	(201,462)	914,518	1,664,040
Changes in working capital	(20,209)	(11,063)	49,728	47,590	9,405
Total cash from operating activities	(26,898)	43,578	122,643	142,743	217,530
Cash Flows from Investing Activities:					
Capital expenditures	(203,736)	(305,203)	(134,945)	(171,144)	(415,229)
Other investing cash flow items, total	(1,567)	(329,068)	(445,082)	(233)	3,012
Total cash from investing activities	(205,303)	(634,271)	(580,027)	(171,377)	(412,217)
Cash Flows from Financing Activities:					
Financing cash flow items	(427)	(6,988)	(28,757)	(1,571)	(21,407)
Issuance/retirement of stock, net	0	63,480	400,055	n/a	15,354
Issuance/retirement of debt, net	188,000	206,000	86,083	29,352	167,000
Total cash from financing activities	187,573	262,492	457,381	27,781	160,947
Net change in cash	(44,628)	(328,201)	(3)	(853)	(33,740)
Net cash-beginning balance	46,866	424,071	24	8,026	43,713
Net cash-ending balance	\$2,238	\$95,870	\$21	\$7,173	\$9,973
Source:	10-Q 8/9/2019	10-Q 8/1/2018	10-Q 8/3/2017	10-Q 7/28/2016	10-Q 7/31/2015

NEWS ALERTS: A TIMELINE OF CONCERNING NEWS ITEMS

Q2 2018 net income decreased to negative \$16.3 million compared with net income of \$20.2 million for the same period last year. Net income for the year-to-date period decreased to negative \$18.9 million compared with net income of \$209.5 million for the equivalent 6 months last year.

8/3/2018	CRMZ News Service	Halcon Resources Corp – updated financials available
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Q3 2018 net income decreased to negative \$81.8 million compared with net income of \$419.3 million for the same period last year. Net income for the year-to-date period decreased to negative \$100.7 million compared with net income of \$628.8 million for the equivalent 9 months last year.

11/9/2018	CRMZ News Service	Halcon Resources Corp – updated financials available
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Citing Halcón Resources Corporation's weak liquidity and significant capital needed to grow its small asset base, Moody's Investors Service changed its rating outlook for the Company to negative from stable.

1/24/2019	CRMZ News Service	Halcon Resources Corp – updated Moody's rating available
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One of Halcón's largest shareholders issued a public letter calling for the Company to immediately appoint two independent directors to lead a process to sell for cash and/or stock the entire Company and to cut its excessive corporate overhead.

2/4/2019	PR Newswire	Fir Tree Calls for Sale of Halcón and Appointment of Two Independent Directors
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Halcón announced management and board changes, including the departure of Chief Executive Officer, President, and Director Floyd C. Wilson.

2/21/2019	GlobeNewswire	Halcón Resources Announces Leadership Changes
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Working capital at 12/31/2018 of negative \$17.1 million decreased from the prior year end's balance of \$321.5 million.

3/16/2019	CRMZ News Service	Halcon Resources Corp – updated financials available
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Q1 2019 net income for the period was negative \$336.6 million compared with net income of negative \$2.6 million for the same period last year.

5/14/2019	CRMZ News Service	Halcon Resources Corp – updated financials available
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Halcón's rating was downgraded by Moody's reflecting its elevated risk of a debt restructuring or distressed exchange while the Company evaluated strategic and financial alternatives.

5/30/2019	CRMZ News Service	Halcon Resources Corp – updated Moody's rating available
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Halcón was notified by the New York Stock Exchange that, due to "abnormally low" trading price levels, the NYSE had determined to commence delisting proceedings to delist its common stock and warrants exercisable for common stock. Trading in the Company's securities was suspended on 7/22/19.

7/23/2019	GlobeNewswire	Halcón Announces Suspension of Trading and Commencement of NYSE Delisting Procedures
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Halcón entered into a Restructuring Support Agreement with certain holders of its 6.75% Senior Unsecured Notes due 2025 with the intent of achieving a comprehensive restructuring of the Company's balance sheet to be implemented through the commencement of chapter 11 cases.

8/2/2019	GlobeNewswire	Halcón Enters into Restructuring Support Agreement with Unsecured Noteholders
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Halcón Resources Corporation filed for bankruptcy.

8/7/2019	CRMZ News Service	Halcon Resources Corp: Chapter 11 Petition filed on 8/7/2019
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MANAGEMENT DISCUSSION AND ANALYSIS

One feature of the CreditRiskMonitor service is the ability to quickly access a Company's Management Discussion and Analysis (MD&A) history.

The MD&A represents the thoughts and opinions of management, and provides a forecast of future operations, and therefore these statements can't typically be falsified. According to the Financial Accounting Standards Board (FASB), "MD&A should provide a balanced presentation that includes both positive and negative information about the topics discussed."

Sarbanes-Oxley subjects CEOs and CFOs to jail and monetary penalties for certifying misleading or fraudulent reports

Report

- Overview
- Company News
- Risk Ratings
- Important Information
- Annual Financials
- Year/Year Interim
- Sequential Quarters
- Liquidity (MD&A)**
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Halcon Resources Corporation

1000 Louisiana St Ste 1500
HOUSTON, TX 77002-5018 United States
Phone: (832) 538-0300
Ticker: **HKRSQ**

Filed for Bankruptcy on 8/7/2019
Case #19-34446, filed in the U.S. Bankruptcy Court for the Southern District of Texas (Houston)

Management Discussion and Analysis

For the period ended 3/31/2019

As a result of our expected inability to comply with the Consolidated Total Net Debt to EBITDA Ratio and the Current Ratio covenants contained in our Senior Credit Agreement within one year from the issuance date of the unaudited condensed consolidated financial statements for the three months ended March 31, 2019, **we have determined that there are conditions and events that raise substantial doubt about our ability to continue as a going concern.**

ABOUT THIS REPORT/CONTACT CREDITRISKMONITOR



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