



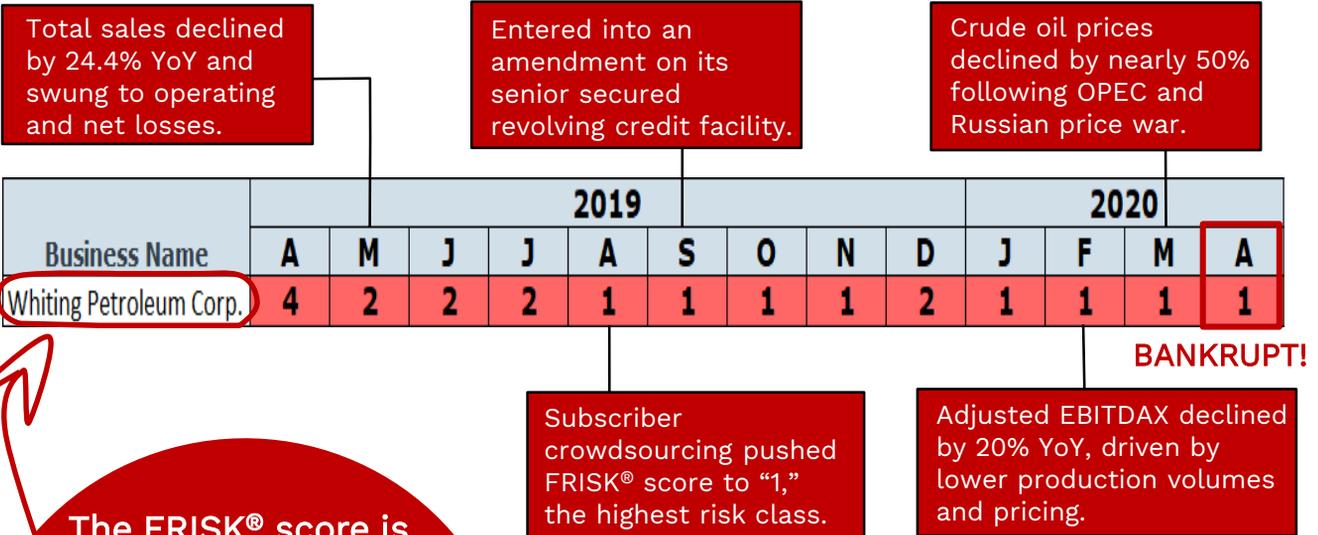
CreditRiskMonitor’s warning of Whiting Petroleum Corp.’s (“Whiting”) bankruptcy risk was determined by a combination of factors:

|  |        |
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# MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's FRISK® score had been warning of financial stress at Whiting Petroleum Corp. (NYSE: WLL) for more than a year.

The company ultimately filed for bankruptcy on 04/01/2020.



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.

| FRISK® Score | BANKRUPTCY RISK RELATIVE TO THE HISTORICAL AVERAGE |        |
|--------------|--|--------|
|              | FROM   | TO     |
| 10           | 0.00x  | 0.12x  |
| 9            | 0.12x  | 0.27x  |
| 8            | 0.27x  | 0.34x  |
| 7            | 0.34x  | 0.55x  |
| 6            | 0.55x  | 0.87x  |
| 5            | 0.87x  | 1.40x  |
| 4            | 1.40x  | 2.10x  |
| 3            | 2.10x  | 4.00x  |
| 2            | 4.00x  | 9.99x  |
| 1            | 9.99x  | 50.00x |

While the 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 Morningstar

## 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”](#)

## DO NOT MISS THIS – MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Making misleading or fraudulent statements in an MD&A is against the law – and Sarbanes-Oxley subjects CEOs and CFOs to heavy fines or even jail time for doing so. A vital feature of the CreditRiskMonitor service is the ability to quickly access a Company’s Management Discussion and Analysis (MD&A) history. Let it sink in: there are no two people in the world with better knowledge of a company’s liquidity risk than the CEO and CFO. More than any credit manager. More than any trade group. And they’re personally liable if they’re lying.

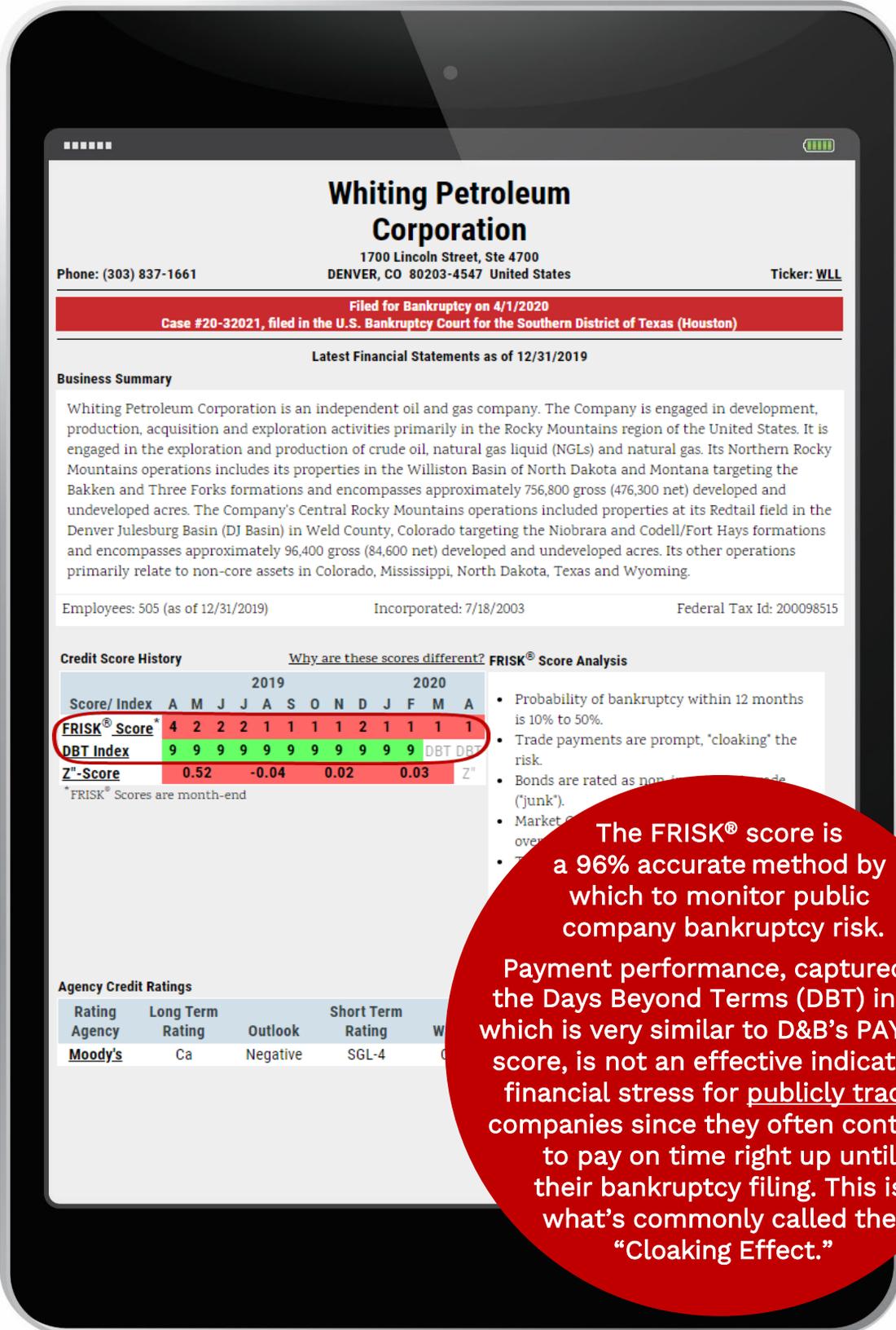
According to the Financial Accounting Standards Board (FASB), “MD&A should provide a balanced presentation that includes both positive and negative information about the topics discussed.”

You MUST understand trends, commitments, demands and uncertainties likely to result in a material change in Liquidity and Capital Resources, like if they can continue as a going concern. If you don't, you need help.



Whiting received a credit redetermination which reduced its borrowing base. After already tapping its credit facility in 2019, Whiting intended to access it again to retire 2020 convertible notes. Contact your account manager to discuss red flags in the MD&A report.

# COMPANY REPORT DETAIL



## Whiting Petroleum Corporation

1700 Lincoln Street, Ste 4700

Phone: (303) 837-1661

DENVER, CO 80203-4547 United States

Ticker: WLL

**Filed for Bankruptcy on 4/1/2020**  
**Case #20-32021, filed in the U.S. Bankruptcy Court for the Southern District of Texas (Houston)**

Latest Financial Statements as of 12/31/2019

### Business Summary

Whiting Petroleum Corporation is an independent oil and gas company. The Company is engaged in development, production, acquisition and exploration activities primarily in the Rocky Mountains region of the United States. It is engaged in the exploration and production of crude oil, natural gas liquid (NGLs) and natural gas. Its Northern Rocky Mountains operations includes its properties in the Williston Basin of North Dakota and Montana targeting the Bakken and Three Forks formations and encompasses approximately 756,800 gross (476,300 net) developed and undeveloped acres. The Company's Central Rocky Mountains operations included properties at its Redtail field in the Denver Julesburg Basin (DJ Basin) in Weld County, Colorado targeting the Niobrara and Codell/Fort Hays formations and encompasses approximately 96,400 gross (84,600 net) developed and undeveloped acres. Its other operations primarily relate to non-core assets in Colorado, Mississippi, North Dakota, Texas and Wyoming.

Employees: 505 (as of 12/31/2019)

Incorporated: 7/18/2003

Federal Tax Id: 200098515

### Credit Score History

[Why are these scores different?](#)

### FRISK® Score Analysis

| Score/ Index         | 2019 |   |   |   |       |   |   |   |      |   |   |   | 2020 |     |     |     |
|----------------------|------|---|---|---|-------|---|---|---|------|---|---|---|------|-----|-----|-----|
|                      | A    | M | J | J | A     | S | O | N | D    | J | F | M | A    |     |     |     |
| <b>FRISK® Score*</b> | 4    | 2 | 2 | 2 | 1     | 1 | 1 | 1 | 2    | 1 | 1 | 1 | 1    |     |     |     |
| <b>DBT Index</b>     | 9    | 9 | 9 | 9 | 9     | 9 | 9 | 9 | 9    | 9 | 9 | 9 | 9    | DBT | DBT | DBT |
| <b>Z"-Score</b>      | 0.52 |   |   |   | -0.04 |   |   |   | 0.02 |   |   |   | 0.03 | Z"  |     |     |

\* FRISK® Scores are month-end

- Probability of bankruptcy within 12 months is 10% to 50%.
- Trade payments are prompt, "cloaking" the risk.
- Bonds are rated as non-investment grade ("junk").
- Market cap is over \$1 billion.

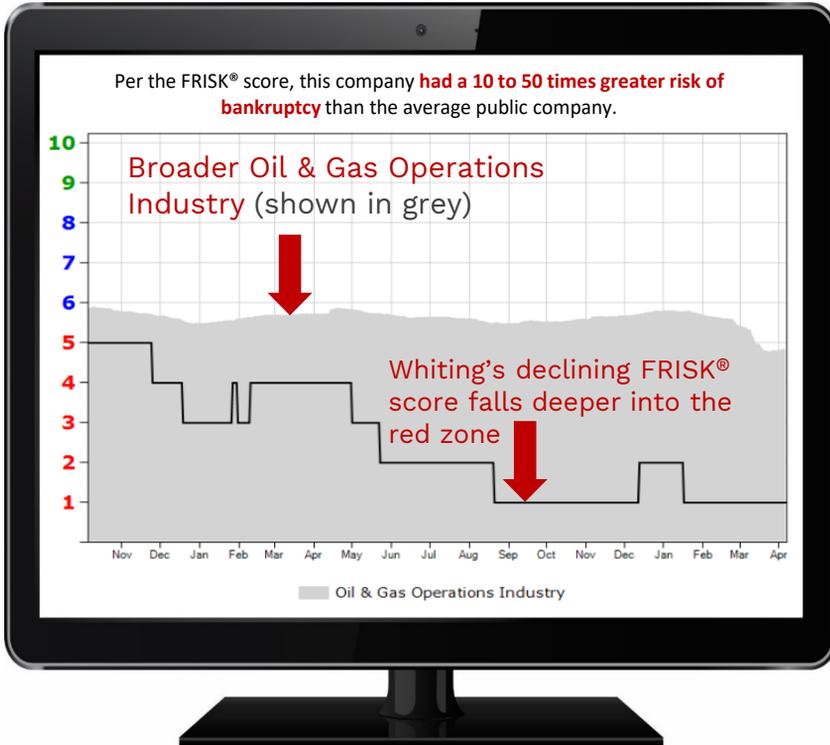
The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

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."

### Agency Credit Ratings

| Rating Agency  | Long Term Rating | Outlook  | Short Term Rating | W |
|----------------|------------------|----------|-------------------|---|
| <b>Moody's</b> | Ca               | Negative | SGL-4             |   |

# 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       | Current FRISK® score |
|----|-------------------------------|---------------|----------------------|
| 1  | California Resources Corp     | United States | 1                    |
| 2  | Ultra Petroleum Corp          | United States | 1                    |
| 3  | Denbury Resources Inc.        | United States | 1                    |
| 4  | Chesapeake Energy Corporation | United States | 1                    |
| 5  | Gulfport Energy Corporation   | United States | 1                    |
| 6  | Whiting Petroleum Corporation | United States | 1                    |
| 7  | Unit Corporation              | United States | 1                    |
| 8  | Nostrum Oil & Gas PLC         | Netherlands   | 1                    |
| 9  | Dommo Energia SA              | Brazil        | 1                    |
| 10 | MIE Holdings Corp             | China         | 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

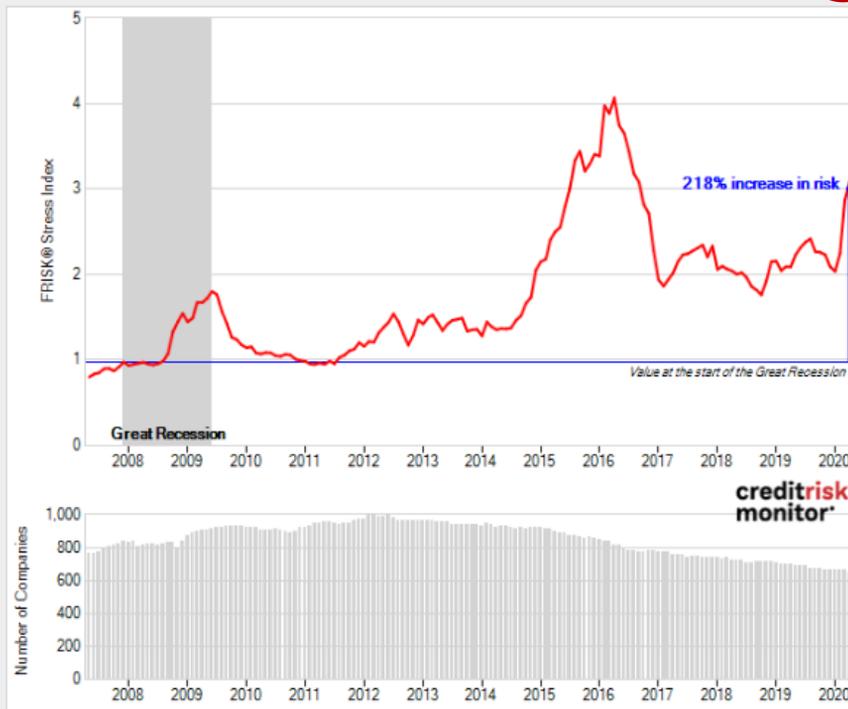
In Industry: SIC 1311: Crude petroleum and natural gas

Country: All Countries

UPDATE RESULTS

Scale: Auto

Total Companies in all months 1,602



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 218% since 2007. Whiting was among the weakest names in the industry as evidenced by its FRISK® score of 1.

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# QUARTERLY PERFORMANCE RATIOS

Volatile operating margins in the last four quarters

Recurring net losses and limited free cash flow generation

## Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended                      | 3 mos<br>12/31/2019 | 3 mos<br>9/30/2019 | 3 mos<br>6/30/2019 | 3 mos<br>3/31/2019 | 3 mos<br>12/31/2018 |
|-----------------------------------|---------------------|--------------------|--------------------|--------------------|---------------------|
| <b>Net Sales \$</b>               | <b>\$380,601</b>    | <b>\$375,891</b>   | <b>\$426,264</b>   | <b>\$389,489</b>   | <b>\$473,233</b>    |
| % change                          | 1.25%               | -11.82%            | 9.44%              | -17.70%            | -16.49%             |
| <b>Gross Margin \$</b>            | <b>\$308,558</b>    | <b>\$290,571</b>   | <b>\$339,277</b>   | <b>\$305,412</b>   | <b>\$436,101</b>    |
| % change                          | 6.19%               | -14.36%            | 11.09%             | -29.97%            | -8.04%              |
| % of sales                        | 81.07%              | 77.30%             | 79.59%             | 78.41%             | 92.15%              |
| change as % of incremental sales  | 381.89%             | n/m                | 92.09%             | n/m                | n/m                 |
| <b>SG&amp;A \$</b>                | <b>\$80,881</b>     | <b>\$76,286</b>    | <b>\$83,121</b>    | <b>\$72,971</b>    | <b>\$120,543</b>    |
| % change                          | 6.02%               | -8.22%             | 13.91%             | -39.46%            | 53.73%              |
| % of sales                        | 21.25%              | 20.29%             | 19.50%             | 18.74%             | 25.47%              |
| change as % of incremental sales  | 97.56%              | n/m                | 27.60%             | n/m                | n/m                 |
| <b>Operating margin \$</b>        | <b>(\$28,621)</b>   | <b>\$29,236</b>    | <b>\$65,881</b>    | <b>(\$45,997)</b>  | <b>\$252,553</b>    |
| % change                          | -197.90%            | -55.62%            | 243.23%            | -118.21%           | 49.12%              |
| % of sales                        | -7.52%              | 7.78%              | 15.46%             | -11.81%            | 53.37%              |
| change as % of incremental sales  | -1,228.39%          | n/m                | 304.22%            | n/m                | n/m                 |
| <b>EBITDA \$</b>                  | <b>\$222,039</b>    | <b>\$209,664</b>   | <b>\$244,013</b>   | <b>\$215,040</b>   | <b>\$289,623</b>    |
| % change                          | 5.90%               | -14.08%            | 13.47%             | -25.75%            | -25.25%             |
| % of sales                        | 58.34%              | 55.78%             | 57.24%             | 55.21%             | 61.20%              |
| change as % of incremental sales  | 262.74%             | n/m                | 78.78%             | n/m                | n/m                 |
| <b>EBIT \$</b>                    | <b>\$17,717</b>     | <b>(\$1,361)</b>   | <b>\$41,004</b>    | <b>\$16,908</b>    | <b>\$92,513</b>     |
| % change                          | 1,401.76%           | -103.32%           | 142.51%            | -81.72%            | -51.42%             |
| % of sales                        | 4.66%               | -0.36%             | 9.62%              | 4.34%              | 19.55%              |
| change as % of incremental sales  | 405.05%             | n/m                | 65.52%             | n/m                | n/m                 |
| <b>Pre-tax income \$</b>          | <b>(\$73,894)</b>   | <b>(\$19,067)</b>  | <b>\$17,795</b>    | <b>(\$93,780)</b>  | <b>\$205,335</b>    |
| % change                          | -287.55%            | -207.15%           | 118.98%            | -145.67%           | 69.14%              |
| % of sales                        | -19.42%             | -5.07%             | 4.17%              | -24.08%            | 43.39%              |
| change as % of incremental sales  | -1,164.06%          | n/m                | 303.40%            | n/m                | n/m                 |
| <b>Net income (loss) \$</b>       | <b>(\$147,487)</b>  | <b>(\$19,067)</b>  | <b>(\$5,687)</b>   | <b>(\$68,925)</b>  | <b>\$203,962</b>    |
| % change                          | -673.52%            | -235.27%           | 91.75%             | -133.79%           | 68.01%              |
| % of sales                        | -38.75%             | -5.07%             | -1.33%             | -17.70%            | 43.10%              |
| change as % of incremental sales  | -2,726.54%          | n/m                | 171.96%            | n/m                | n/m                 |
| <b>Tax expense \$</b>             | <b>\$73,593</b>     | <b>\$0</b>         | <b>\$23,482</b>    | <b>(\$24,855)</b>  | <b>\$1,373</b>      |
| Effective tax rate                | -99.59%             | 0.00%              | 131.96%            | 26.50%             | 0.67%               |
| <b>Depreciation expense \$</b>    | <b>\$204,322</b>    | <b>\$208,164</b>   | <b>\$200,072</b>   | <b>\$195,250</b>   | <b>\$197,110</b>    |
| % of sales                        | 53.68%              | 55.38%             | 46.94%             | 50.13%             | 41.65%              |
| % of capital expenses             | 121.87%             | 104.03%            | 82.56%             | 99.74%             | 83.14%              |
| % of PP&E, net (annualized)       | 11.14%              | 11.25%             | 10.82%             | 10.61%             | 10.77%              |
| <b>Capital expenditures \$</b>    | <b>\$167,660</b>    | <b>\$200,098</b>   | <b>\$242,323</b>   | <b>\$195,766</b>   | <b>\$237,084</b>    |
| % change                          | -16.21%             | -17.43%            | 23.78%             | -17.43%            | -28.26%             |
| % of PP&E, net (annualized)       | 9.14%               | 10.81%             | 13.10%             | 10.64%             | 12.95%              |
| % of working capital (annualized) | -200.00%            | -133.06%           | -198.91%           | -433.51%           | -460.70%            |
| <b>Interest coverage ratio</b>    | <b>2.41</b>         | <b>4.33</b>        | <b>5.01</b>        | <b>1.94</b>        | <b>6.04</b>         |
| % change                          | -44.30%             | -13.58%            | 158.50%            | -67.95%            | 8.26%               |
| <b>Free cash flow \$</b>          | <b>\$67,375</b>     | <b>(\$61,106)</b>  | <b>(\$8,899)</b>   | <b>(\$47,257)</b>  | <b>\$47,883</b>     |
| % change                          | 210.26%             | -586.66%           | 81.17%             | -198.69%           | 171.75%             |
| Source:                           | 10-K<br>2/27/2020   | 10-Q<br>11/6/2019  | 10-Q<br>8/1/2019   | 10-Q<br>5/2/2019   | 10-K<br>2/28/2019   |

# QUARTERLY LEVERAGE RATIOS

Total debt to assets ratio signaled persistently high financial leverage

Short-term debt as a % of working capital turned negative showing potential funding deficiency

## Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended   | 12/31/2019         | 9/30/2019          | 6/30/2019          | 3/31/2019          | 12/31/2018         |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Total debt \$</b>                                 | <b>\$2,821,497</b> | <b>\$2,883,301</b> | <b>\$2,868,753</b> | <b>\$2,862,322</b> | <b>\$2,792,321</b> |
| % change   | -2.14%             | 0.51%              | 0.22%              | 2.51%              | -1.51%             |
| <b>Stockholders' equity \$</b>                       | <b>\$4,024,971</b> | <b>\$4,169,957</b> | <b>\$4,200,627</b> | <b>\$4,202,349</b> | <b>\$4,270,316</b> |
| % change   | -3.48%             | -0.73%             | -0.04%             | -1.59%             | 5.08%              |
| <b>Total debt to equity ratio</b>                    | <b>0.70</b>        | <b>0.69</b>        | <b>0.68</b>        | <b>0.68</b>        | <b>0.65</b>        |
| % change   | 1.39%              | 1.24%              | 0.26%              | 4.16%              | -6.26%             |
| <b>Tangible net worth \$</b>                         | <b>\$4,024,971</b> | <b>\$4,169,957</b> | <b>\$4,200,627</b> | <b>\$4,202,349</b> | <b>\$4,270,316</b> |
| % change   | -3.48%             | -0.73%             | -0.04%             | -1.59%             | 5.08%              |
| <b>Total debt to tangible net worth</b>              | <b>0.70</b>        | <b>0.69</b>        | <b>0.68</b>        | <b>0.68</b>        | <b>0.65</b>        |
| % change   | 1.39%              | 1.24%              | 0.26%              | 4.16%              | -6.26%             |
| <b>Total assets \$</b>                               | <b>\$7,636,721</b> | <b>\$7,774,881</b> | <b>\$7,775,726</b> | <b>\$7,751,795</b> | <b>\$7,759,573</b> |
| % change   | -1.78%             | -0.01%             | 0.31%              | -0.10%             | 0.65%              |
| <b>Total debt to assets ratio</b>                    | <b>0.37</b>        | <b>0.37</b>        | <b>0.37</b>        | <b>0.37</b>        | <b>0.36</b>        |
| % change   | -0.35%             | 0.52%              | -0.08%             | 2.58%              | -2.15%             |
| <b>Tangible assets \$</b>                            | <b>\$7,636,721</b> | <b>\$7,774,881</b> | <b>\$7,775,726</b> | <b>\$7,751,795</b> | <b>\$7,759,573</b> |
| % change   | -1.78%             | -0.01%             | 0.31%              | -0.10%             | 0.65%              |
| <b>Short-term debt \$</b>                            | <b>\$4,974</b>     | <b>\$261,218</b>   | <b>\$547,719</b>   | <b>\$4,927</b>     | <b>\$0</b>         |
| % change   | -98.10%            | -52.31%            | 11,016.68%         | n/m                | n/m                |
| <b>Short-term debt % of total debt</b>               | <b>0.18%</b>       | <b>9.06%</b>       | <b>19.09%</b>      | <b>0.17%</b>       | <b>0.00%</b>       |
| % change   | -98.05%            | -52.55%            | 10,993.90%         | n/m                | n/m                |
| <b>Short-term debt % of working capital</b>          | <b>-2.27%</b>      | <b>-57.89%</b>     | <b>-72.85%</b>     | <b>-2.21%</b>      | <b>0.00%</b>       |
| % change   | 96.08%             | 20.53%             | -3,193.61%         | n/m                | n/m                |
| <b>Total liabilities \$</b>                          | <b>\$3,611,750</b> | <b>\$3,604,924</b> | <b>\$3,575,099</b> | <b>\$3,549,446</b> | <b>\$3,489,257</b> |
| % change   | 0.19%              | 0.83%              | 0.72%              | 1.73%              | -4.29%             |
| <b>Total liabilities to equity ratio</b>             | <b>0.90</b>        | <b>0.86</b>        | <b>0.85</b>        | <b>0.84</b>        | <b>0.82</b>        |
| % change   | 3.79%              | 1.57%              | 0.77%              | 3.37%              | -8.92%             |
| <b>Total liabilities to tangible net worth ratio</b> | <b>0.90</b>        | <b>0.86</b>        | <b>0.85</b>        | <b>0.84</b>        | <b>0.82</b>        |
| % change   | 3.79%              | 1.57%              | 0.77%              | 3.37%              | -8.92%             |
| <b>Total debt to EBITDA ratio (annualized)</b>       | <b>3.18</b>        | <b>3.44</b>        | <b>2.94</b>        | <b>3.33</b>        | <b>2.41</b>        |
| % change   | -7.60%             | 16.97%             | -11.68%            | 38.06%             | 31.75%             |
| Source:  | 10-K<br>2/27/2020  | 10-Q<br>11/6/2019  | 10-Q<br>8/1/2019   | 10-Q<br>5/2/2019   | 10-K<br>2/28/2019  |

# QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Incessant working capital deficit

Meager cash and current ratios

## Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended                  | 12/31/2019         | 9/30/2019          | 6/30/2019          | 3/31/2019          | 12/31/2018         |
|-------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Current assets \$</b>      | <b>\$330,983</b>   | <b>\$355,314</b>   | <b>\$343,050</b>   | <b>\$305,036</b>   | <b>\$398,426</b>   |
| % change                      | -6.85%             | 3.58%              | 12.46%             | -23.44%            | 12.95%             |
| % of short-term debt          | 6,654.26%          | 136.02%            | 62.63%             | 6,191.11%          | n/a                |
| <b>Current liabilities \$</b> | <b>\$550,414</b>   | <b>\$806,513</b>   | <b>\$1,094,916</b> | <b>\$527,797</b>   | <b>\$536,931</b>   |
| % change                      | -31.75%            | -26.34%            | 107.45%            | -1.70%             | -14.22%            |
| <b>Working capital \$</b>     | <b>(\$219,431)</b> | <b>(\$451,199)</b> | <b>(\$751,866)</b> | <b>(\$222,761)</b> | <b>(\$138,505)</b> |
| % change                      | 51.37%             | 39.99%             | -237.52%           | -60.83%            | 49.30%             |
| % of sales (annualized)       | -14.41%            | -30.01%            | -44.10%            | -14.30%            | -7.32%             |
| <b>Cash \$</b>                | <b>\$8,652</b>     | <b>\$0</b>         | <b>\$6,680</b>     | <b>\$1,692</b>     | <b>\$13,607</b>    |
| % change                      | n/m                | -100.00%           | 294.80%            | -87.57%            | -4.09%             |
| % of short-term debt          | 173.94%            | 0.00%              | 1.22%              | 34.34%             | n/a                |
| <b>Cash ratio</b>             | <b>0.02</b>        | <b>0.00</b>        | <b>0.01</b>        | <b>0.00</b>        | <b>0.03</b>        |
| % change                      | n/m                | -100.00%           | 90.63%             | -87.35%            | 11.45%             |
| <b>Quick assets \$</b>        | <b>\$316,901</b>   | <b>\$294,422</b>   | <b>\$299,652</b>   | <b>\$279,934</b>   | <b>\$308,075</b>   |
| % change                      | 7.64%              | -1.75%             | 7.04%              | -9.13%             | -6.68%             |
| % of short-term debt          | 6,371.15%          | 112.71%            | 54.71%             | 5,681.63%          | n/a                |
| <b>Quick ratio</b>            | <b>0.58</b>        | <b>0.37</b>        | <b>0.27</b>        | <b>0.53</b>        | <b>0.57</b>        |
| % change                      | 57.71%             | 33.39%             | -48.40%            | -7.56%             | 8.80%              |
| <b>Current ratio</b>          | <b>0.60</b>        | <b>0.44</b>        | <b>0.31</b>        | <b>0.58</b>        | <b>0.74</b>        |
| % change                      | 36.47%             | 40.63%             | -45.79%            | -22.12%            | 31.68%             |
| Source:                       | 10-K<br>2/27/2020  | 10-Q<br>11/6/2019  | 10-Q<br>8/1/2019   | 10-Q<br>5/2/2019   | 10-K<br>2/28/2019  |

Poor returns on equity and assets

## Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended                         | 3 mos<br>12/31/2019 | 3 mos<br>9/30/2019 | 3 mos<br>6/30/2019 | 3 mos<br>3/31/2019 | 3 mos<br>12/31/2018 |
|--------------------------------------|---------------------|--------------------|--------------------|--------------------|---------------------|
| <b>Return on equity</b>              | <b>-3.54%</b>       | <b>-0.45%</b>      | <b>-0.14%</b>      | <b>-1.61%</b>      | <b>5.02%</b>        |
| % change                             | -679.22%            | -235.48%           | 91.62%             | -132.16%           | 62.86%              |
| <b>Return on net tangible equity</b> | <b>-3.54%</b>       | <b>-0.45%</b>      | <b>-0.14%</b>      | <b>-1.61%</b>      | <b>5.02%</b>        |
| % change                             | -679.22%            | -235.48%           | 91.62%             | -132.16%           | 62.86%              |
| <b>Return on total assets</b>        | <b>-1.91%</b>       | <b>-0.25%</b>      | <b>-0.07%</b>      | <b>-0.89%</b>      | <b>2.64%</b>        |
| % change                             | -680.59%            | -234.52%           | 91.75%             | -133.70%           | 65.87%              |
| <b>Return on tangible assets</b>     | <b>-1.91%</b>       | <b>-0.25%</b>      | <b>-0.07%</b>      | <b>-0.89%</b>      | <b>2.64%</b>        |
| % change                             | -680.59%            | -234.52%           | 91.75%             | -133.70%           | 65.87%              |
| Source:                              | 10-K<br>2/27/2020   | 10-Q<br>11/6/2019  | 10-Q<br>8/1/2019   | 10-Q<br>5/2/2019   | 10-K<br>2/28/2019   |

# ANNUAL STATEMENT OF CASH FLOWS

Cash from operating activities declined

## Statement of Cash Flows - Annual - Standardized

(Thousands of U.S. Dollars)

| Period Ended                                 | 12 mos<br>12/31/2019                        | 12 mos<br>12/31/2018                        | 12 mos<br>12/31/2017                        | 12 mos<br>12/31/2016                        | 12 mos<br>12/31/2015                        |
|--|---|---|---|---|---|
| <b>Cash Flows from Operating Activities:</b> |   |   |   |   |   |
| Net income                                   | (\$241,166)                                 | \$342,494                                   | (\$1,237,662)                               | (\$1,339,124)                               | (\$2,219,268)                               |
| Depreciation/depletion                       | 816,488                                     | 781,329                                     | 948,939                                     | 1,171,582                                   | 1,243,293                                   |
| Deferred taxes                               | 72,220                                      | 1,373                                       | (475,688)                                   | (80,456)                                    | (773,870)                                   |
| Non-cash items                               | 116,266                                     | (96,353)                                    | 1,464,773                                   | 790,171                                     | 2,747,592                                   |
| Changes in working capital                   | (7,848)                                     | 63,160                                      | (123,253)                                   | 52,837                                      | 53,645                                      |
| <b>Total cash from operating activities</b>  | <b>755,960</b>                              | <b>1,092,003</b>                            | <b>577,109</b>                              | <b>595,010</b>                              | <b>1,051,392</b>                            |
| <b>Cash Flows from Investing Activities:</b> |   |   |   |   |   |
| Capital expenditures                         | (805,847)                                   | (957,800)                                   | (856,577)                                   | (553,181)                                   | (2,496,933)                                 |
| Other investing cash flow items, total       | 72,000                                      | 4,746                                       | 929,974                                     | 330,605                                     | 514,814                                     |
| <b>Total cash from investing activities</b>  | <b>(733,847)</b>                            | <b>(953,054)</b>                            | <b>73,397</b>                               | <b>(222,576)</b>                            | <b>(1,982,119)</b>                          |
| <b>Cash Flows from Financing Activities:</b> |   |   |   |   |   |
| Financing cash flow items                    | (4,649)                                     | (15,453)                                    | (19,231)                                    | (23,343)                                    | (55,587)                                    |
| Issuance/retirement of stock, net            | n/a   | 755   | 0   | n/a   | 1,114,196                                   |
| Issuance/retirement of debt, net             | (22,419)                                    | (990,023)                                   | 174,879                                     | (291,919)                                   | (189,929)                                   |
| <b>Total cash from financing activities</b>  | <b>(27,068)</b>                             | <b>(1,004,721)</b>                          | <b>155,648</b>                              | <b>(315,262)</b>                            | <b>868,680</b>                              |
| <b>Net change in cash</b>                    | <b>(4,955)</b>                              | <b>(865,772)</b>                            | <b>806,154</b>                              | <b>57,172</b>                               | <b>(62,047)</b>                             |
| <b>Net cash-beginning balance</b>            | <b>13,607</b>                               | <b>879,379</b>                              | <b>73,225</b>                               | <b>16,053</b>                               | <b>78,100</b>                               |
| <b>Net cash-ending balance</b>               | <b>\$8,652</b>                              | <b>\$13,607</b>                             | <b>\$879,379</b>                            | <b>\$73,225</b>                             | <b>\$16,053</b>                             |
| <b>Supplemental Disclosures:</b>             |   |   |   |   |   |
| Cash interest paid                           | \$163,859                                   | \$152,665                                   | \$163,151                                   | \$239,963                                   | \$292,852                                   |
| Cash taxes paid, supplemental                | (\$7,508)                                   | (\$32)                                      | \$49  | \$1,044                                     | (\$604)                                     |
| Auditor/Opinion:                             | Deloitte & Touche LLP<br><b>Unqualified</b> |
| Source:                                      | 10-K<br>2/27/2020                           | 10-K<br>2/28/2019                           | 10-K<br>2/22/2018                           | 10-K<br>2/23/2017                           | 10-K<br>2/25/2016                           |

## NEWS ALERTS: A TIMELINE OF CONCERNING NEWS ITEMS

**Q1 2019 filing - Quarterly operating income decreased by 169% from \$67MM last year to an operating loss of (\$46)MM. Additionally, net income declined from \$15 million last year to a net loss of (\$69)MM.**

|  |                           |  |
|--|---------------------------|--|
| 05/03/2019   | CRMZ News Service         | Whiting Petroleum Corp.: updated financials available  |
| <b>Whiting Petroleum announced the resignation of Michael Stevens, its long tenured Senior Vice President and Chief Financial Officer.</b>                                 |                           |  |
| 07/16/2019   | CRMZ News Service         | Whiting Petroleum Corp. files (8-K) Disclosing Change in Directors or Principal Officers, Financials Statements and Exhibits   |
| <b>Whiting Petroleum announced an operational restructuring, which included the elimination of one-third of its workforce in an effort to erase \$50MM in labor costs.</b> |                           |  |
| 07/31/2019   | CRMZ News Service         | Whiting Petroleum Slashes Workforce By A Third   |
| <b>Whiting Petroleum's FRISK® score declined to a "1" due to subscriber crowdsourcing, which signaled severe risk of bankruptcy.</b>                                       |                           |  |
| 08/21/2019   | CRMZ News Service         | Whiting Petroleum Corp: FRISK® score downgraded to 1   |
| <b>Whiting Petroleum entered into a First Amendment to the Seventh Amended and Restated Credit Agreement; credit amendments are a common sign of financial stress.</b>     |                           |  |
| 09/16/2019   | CRMZ News Service         | Whiting Petroleum Corp. files (8-K) Disclosing Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant, Financials Statements and Exhibits |
| <b>Moody's downgrades Whiting Petroleum's Corporate Family Rating from B1 to Caa1 as it faced daunting prospects to refinance 2020 and 2021 note maturities.</b>           |                           |  |
| 03/20/2020   | Moody's Investors Service | Moody's downgrades Whiting Petroleum CFR to Caa1, notes Caa2.  |
| <b>Whiting Petroleum filed for Chapter 11 bankruptcy to facilitate a restructuring framework.</b>  |                           |  |
| 04/01/2020   | Business Wire             | Whiting Petroleum Corporation Reaches Agreement in Principle with Certain of Its Noteholders to Pursue Consensual Financial Restructuring.   |

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