

BASIC ENERGY SERVICES INC
Form 8-K
February 09, 2011

**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): February 3, 2011

Basic Energy Services, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-32693
(Commission
File Number)

54-2091194
(IRS Employer
Identification No.)

500 W. Illinois, Suite 100
Midland, Texas
(Address of principal executive offices)

79701
(Zip Code)

Registrant's telephone number, including area code: **(432) 620-5500**

Not Applicable

(Former name or former address, if changed since last report.)

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 (see General Instruction A.2. below):

- 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))
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Item 1.01 Entry into a Material Definitive Agreement.

On February 3, 2011, Basic Energy Services, Inc. (the Company) entered into a purchase agreement (the Purchase Agreement), by and among the Company, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Wells Fargo Securities, LLC and certain other initial purchasers party thereto (the Initial Purchasers), which provides for the sale by the Company of \$275,000,000 aggregate principal amount of its 7 3/4% Senior Notes due 2019 (the Original Notes) to the Initial Purchasers (the Offering). The Original Notes will be jointly and severally, and unconditionally, guaranteed (the Guarantees) on a senior unsecured basis initially by all of the Company s current subsidiaries, other than three immaterial subsidiaries (collectively, the Guarantors, and together with the Company, the Issuers). The Original Notes and the Guarantees will be issued pursuant to an indenture, to be dated February 15, 2011, by and between the Issuers and Wells Fargo Bank, N.A., as trustee.

The Initial Purchasers intend to resell the Original Notes and Guarantees (i) inside the United States to qualified institutional buyers, as defined in Rule 144A (Rule 144A) under the Securities Act of 1933, as amended (the Securities Act), in private sales exempt from registration under the Securities Act in accordance with Rule 144A, and (ii) to other eligible purchasers pursuant to offers and sales that occur outside the United States within the meaning of Regulation S under the Securities Act (Regulation S) in accordance with Regulation S. The Original Notes and Guarantees have not been registered under the Securities Act or applicable state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

The purchase price for the Original Notes and Guarantees is 100.000% of their principal amount. The net proceeds from the Offering will be approximately \$269.5 million, after discounts and estimated offering expenses. The Company intends to use the net proceeds from the Offering to fund its pending tender offer and consent solicitation for its existing 11.625% Senior Secured Notes due 2014 (the Senior Secured Notes) and to redeem any of the Senior Secured Notes not purchased in the tender offer, and the remainder for general corporate purposes.

A copy of the Purchase Agreement is being filed as Exhibit 10.1 hereto and is incorporated herein by reference.

Item 8.01 Other Events.

On February 3, 2011, Basic Energy Services, Inc. issued a press release announcing that it had priced the Offering disclosed in Item 1.01 hereof. A copy of the press release is being filed as Exhibit 99.1 hereto and is incorporated herein by reference.

This announcement shall not constitute an offer to sell or the solicitation of an offer to buy the notes.

Item 9.01 Financial Statements and Exhibits.

- 10.1 Purchase Agreement dated February 3, 2011, by and among Basic Energy Services, Inc., the guarantors party thereto and the initial purchasers party thereto
- 99.1 Press release dated February 3, 2011

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.

Basic Energy Services, Inc.

Date: February 8, 2011

By: /s/ Alan Krenek

Name: Alan Krenek

Title: Senior Vice President, Chief
Financial Officer, Treasurer and
Secretary

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EXHIBIT INDEX

Exhibit No.	Description
10.1	Purchase Agreement dated February 3, 2011, by and among Basic Energy Services, Inc., the guarantors party thereto and the initial purchasers party thereto
99.1	Press release dated February 3, 2011