

GOODRICH PETROLEUM CORP

Form 424B5

March 02, 2015

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Registration No. 333-186129

This preliminary prospectus supplement and the accompanying prospectus relate to an effective registration statement and are not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion, dated March 2, 2015

Preliminary Prospectus Supplement

(To prospectus, dated March 8, 2013)

12,000,000 shares

Common stock

We are offering 12,000,000 shares of our common stock. Our common stock is traded on the New York Stock Exchange under the symbol GDP. On February 27, 2015, the last sale price of the shares as reported on the New York Stock Exchange was \$4.48 per share.

The underwriter has agreed to purchase the common stock from us at a price of \$ per share, which will result in \$ of proceeds to us before expenses. The underwriter may offer the shares of common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices.

Investing in our common stock involves risk. See Risk Factors beginning on page S-5 of this prospectus supplement, on page 5 of the accompanying prospectus and in the documents which are incorporated by reference herein.

We expect that delivery of the shares will be made to investors on or about March , 2015.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

Sole Book-Running Manager

J.P. Morgan

The date of this prospectus supplement is March , 2015.

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About this prospectus supplement

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of this offering. The second part, the accompanying prospectus, gives more general information, some of which may not apply to this offering.

If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

We have not, and the underwriter has not, authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus supplement and the accompanying prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you.

We are not, and the underwriter is not, making an offer of these securities in any jurisdiction where the offer is not permitted.

You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the dates of this prospectus supplement or the accompanying prospectus or that any information we have incorporated by reference is accurate as of any date other than the date of the document incorporated by reference. Our business, financial condition, results of operations and prospects may have changed since those dates. It is important that you read and consider all of the information in this prospectus supplement, the information contained in the accompanying prospectus and any other document incorporated by reference in making your investment decision.

Where you can find more information

We file annual, quarterly and current reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, as amended (the Exchange Act). You may read and copy any document we file at the SEC's public reference room in Washington, D.C. at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-888-SEC-0330 for further information on the public reference rooms. These filings are also available to the public from the SEC's web site at www.sec.gov. We also maintain a website at www.goodrichpetroleum.com that contains information concerning us and our affiliates. The information at our website is not incorporated by reference in this prospectus supplement and the accompanying prospectus, and you should not consider it to be part of this prospectus supplement and the accompanying prospectus.

We have included the accompanying prospectus in our registration statement that we filed with the SEC. The registration statement provides additional information that we are not required to include in this prospectus supplement or the accompanying prospectus. You can receive a copy of the entire registration statement as described above. Although this prospectus supplement and the accompanying prospectus describe the material terms of certain contracts, agreements and other documents filed as exhibits to the registration statement, you should read the exhibits for a more complete description of the document or matter involved.

The rules of the SEC allow us to incorporate by reference into this prospectus supplement and the accompanying prospectus the information we file with the SEC, which means that we can disclose important information to you by referring you to that information. The information incorporated by reference is considered to be part of this prospectus supplement and the accompanying prospectus, and later information that we file with the SEC will automatically update and supersede that information. We incorporate by reference

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the documents listed below and any future filings made by us with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act (excluding any information furnished pursuant to Item 2.02 or 7.01 on any Current Report on Form 8-K) until the offering of the common stock is completed:

The description of our common stock contained in our registration statement on Form 8-B dated February 3, 1997, including any amendment to that form that we may have filed in the past, or may file in the future, for the purpose of updating the description of our common stock;

our Current Report on Form 8-K filed on December 29, 2014;

our Annual Report on Form 10-K for the year ended December 31, 2014, filed on March 2, 2015; and

the information in our Definitive Proxy Statement on Schedule 14A filed on April 17, 2014 that is incorporated by reference into our Annual Report on Form 10-K for the year ended December 31, 2013.

Any statement contained herein, or in a document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

We will provide, without charge, to each person to whom this prospectus supplement has been delivered a copy of any or all of these filings (other than exhibits to documents that are not specifically incorporated by reference in the documents). You may request copies of these filings by writing or telephoning us at: Goodrich Petroleum Corporation, Attention: Corporate Secretary, 801 Louisiana Street, Suite 700, Houston, Texas 77002, telephone (713) 780-9494.

Cautionary note regarding forward-looking statements

Some of the information contained in this prospectus supplement, the accompanying prospectus and the documents we have incorporated by reference contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Exchange Act concerning our operations, economic performance and financial condition. These forward-looking statements include information concerning future production and reserves, schedules, plans, timing of development, contributions from oil and natural gas properties, marketing and midstream activities, and also include those statements accompanied by or that otherwise include the words may, could, believes, expects, anticipates, intends, estimates, projects, predicts, target, goal, plans, objective, expressions or variations on such expressions that convey the uncertainty of future events or outcomes. For such statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. We have based these forward-looking statements on our current expectations and assumptions about future events. These statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments as well as other factors it believes are appropriate under the circumstances. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. These forward-looking statements speak only as of the date of this prospectus supplement, or if earlier, as of the date they were made; we undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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These forward-looking statements involve risk and uncertainties. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following risk and uncertainties:

planned capital expenditures;

future drilling activity;

our financial condition;

business strategy including our ability to successfully transition to more liquids-focused operations;

the market prices of oil and natural gas;

volatility in the commodity-futures market;

uncertainties about the estimated quantities of oil and natural gas reserves;

financial market conditions and availability of capital;

production;

hedging arrangements;

future cash flows and borrowings;

litigation matters;

pursuit of potential future acquisition opportunities;

sources of funding for exploration and development;

general economic conditions, either nationally or in the jurisdictions in which we are doing business;

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legislative or regulatory requirements or changes, including retroactive royalty or production tax regimes, hydraulic-fracturing regulation, drilling and permitting regulations, derivatives reform, changes in state and federal corporate taxes, environmental regulation, and environmental risks and liability under federal, state, foreign and local environmental laws and regulations;

the creditworthiness of our financial counterparties and operation partners;

the securities, capital or credit markets; and

our ability to repay our debt.

Other factors that could cause actual results to differ materially from those anticipated are discussed in our periodic filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2014, and the risk factors beginning on page S-5 of this prospectus supplement and on page 5 of the accompanying prospectus.

When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this prospectus supplement, the accompanying prospectus and the documents we have incorporated by reference. We will not update these forward-looking statements unless the securities laws require us to do so.

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Summary

This summary highlights selected information from this prospectus supplement and the accompanying prospectus, but may not contain all information that may be important to you. This prospectus supplement and the accompanying prospectus include specific terms of this offering, information about our business and financial data. You should carefully read this prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein in their entirety before making an investment decision. In this prospectus supplement, the terms Goodrich Petroleum Corporation, Goodrich, we, us, our and similar terms mean Goodrich Petroleum Corporation and its subsidiary. We have provided definitions for some of the oil and gas industry terms used in this prospectus supplement in the Glossary on page G-1 of this prospectus supplement.

Goodrich Petroleum Corporation

We are an independent oil and natural gas company engaged in the exploration, development and production of oil and natural gas on properties primarily in (i) Southwest Mississippi and Southeast Louisiana, which includes the Tuscaloosa Marine Shale Trend, (ii) South Texas, which includes the Eagle Ford Shale Trend, and (iii) Northwest Louisiana and East Texas, which includes the Haynesville Shale Trend. We are concentrating the vast majority of our development efforts on existing leased acreage within formations that are prospective for oil. We own interests in 260 producing oil and natural gas wells located in 43 fields in eight states. At December 31, 2014, we had estimated proved reserves of approximately 273.7 Bcfe, comprised of 104.8 Bcf of natural gas, 1.0 MMBbls of NGLs and 27.1 MMBbls of oil and condensate.

Our principal executive offices are located at 801 Louisiana, Suite 700, Houston, Texas 77002. We maintain an internet website at www.goodrichpetroleum.com; however, the information found on our website is not part of this prospectus supplement.

Recent Developments

Second Lien Notes and Warrant Purchase Agreement

On February 26, 2015, we entered into a purchase agreement the (Purchase Agreement) with Franklin Advisers, Inc., as investment manager on behalf of certain funds and accounts (the Purchaser). Under the terms of the Purchase Agreement, we agreed to issue and sell to the Purchaser 100,000 Units (the Units), each consisting of \$1,000 aggregate principal amount at maturity of our 8.00% Senior Secured Second Lien Notes due 2018 (the Second Lien Notes) and one warrant (the Warrants) to purchase 48.84 shares of our common stock, par value \$0.20 per share (the Common Stock). The aggregate purchase price for the Units is \$100 million. The maturity of the Second Lien Notes will be accelerated to September 1, 2017 if more than \$25,000,000 of our Senior Convertible Notes due 2032 remain outstanding on August 1, 2017. The Second Lien Notes contain a number of covenants including restrictions on:

the incurrence of indebtedness similar to the restrictions in our 8.875% Senior Notes due 2019;

the incurrence of liens including prior liens securing indebtedness in an amount in excess of the greater of \$150 million and the borrowing base under our Second Amended and Restated Credit Agreement (as amended, the Senior Credit Agreement) and pari passu liens securing indebtedness in an amount (excluding the Second Lien Notes) of more than \$75 million; and

restricted payments including the purchase or repayment of unsecured indebtedness prior to its scheduled maturity.

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The Second Lien Notes will be issued pursuant to an indenture (the *Indenture*) between us, Goodrich Petroleum Company, L.L.C. (the *Guarantor*) and U.S. Bank National Association, as Trustee, and will be guaranteed on a senior secured, second-priority basis by the Guarantor (the *Guarantee*). The Second Lien Notes and the Guarantee are secured on a senior second-priority basis by liens on certain of our assets and the assets of the Guarantor.

The Warrants will be issued pursuant to a warrant agreement between us and American Stock Transfer & Trust Company LLC (the *Warrant Agreement*). Under the terms of the Warrant Agreement, the Second Lien Notes and the Warrants will not be separately transferable until the earliest of (i) 365 days after the date on which the Warrants are originally issued, (ii) the date on which a registration statement related to the resale of the Warrants is declared effective, (iii) the date on which a registration statement with respect to a registered exchange offer for the Second Lien Notes is declared effective and (iv) in the event of the occurrence of a change of control (as defined in the Indenture), the date on which requisite notice of such change of control is mailed to the holders of the Second Lien Notes. At such time, the Warrants will become exercisable upon payment of the exercise price of \$4.664 or convertible on a cashless basis as set forth in the Warrant Agreement. Any Warrants not exercised in ten years will expire.

The issuance and sale of the Units is expected to close on March 12, 2015, subject to customary closing conditions, including the absence of any material adverse change. We cannot assure that the issuance and sale of the Units will close on schedule or at all. The issuance and sale of the Units pursuant to the Purchase Agreement is exempt from registration requirements of the Securities Act of 1933, as amended and the Company has agreed not to take any action that would cause the loss of such exemption. The completion of this offering is not contingent upon the completion of the issuance of the Units and the issuance and sale of the Units is not contingent upon the completion of this offering.

Credit Facility Amendment

On February 26, 2015, we entered into the Thirteenth Amendment (the *Amendment*) to our Senior Credit Agreement. The Amendment includes the following key elements:

reduces our borrowing base to \$200 million on February 26, 2015;

on the earlier of (i) April 1, 2015 and (ii) the funding of the \$100 million of Second Lien Notes, our borrowing base will be reduced to \$150 million;

the next regularly scheduled redetermination of our borrowing base will occur on October 1, 2015;

extends the maturity date of the Senior Credit Agreement to February 24, 2017;

eliminates our current Total Debt to EBITDAX covenant and replaces it with a Total Secured Debt to EBITDAX covenant of 2.50x (Total Secured Debt is defined as first and second lien debt and certain other indebtedness secured by a lien on our and our subsidiaries' property); and

revises our Minimum Interest Coverage Ratio to 2.00x.

Liquidity Update

As described above, the borrowing base under our Senior Credit Agreement will reduce from \$200 million to \$150 million on the earlier of (i) April 1, 2015 and (ii) the funding of the Second Lien Notes offering. While we believe that the funding of the Second Lien Notes will occur on March 12, 2015, if the Second Lien Notes offering

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does not close by April 1, 2015, we do not have committed sources of financing to make the mandatory prepayments required to reduce our outstanding borrowings under the Senior Credit Agreement to \$150 million. Our inability to make such mandatory prepayments, unless waived or amended by the requisite lenders, would constitute an event of default under the Senior Credit Agreement and would materially and adversely affect our liquidity by precluding further borrowings under our Senior Credit Agreement and could result in the acceleration of the maturity of the indebtedness outstanding under our Senior Credit Agreement, which in turn would permit the holders of our other outstanding material indebtedness to accelerate the maturity of such other indebtedness.

Assuming the successful consummation of this offering and the funding of the Second Lien Notes offering and based on current commodity prices, we believe we will be able to comply with the revised covenants contained in our Senior Credit Agreement through the first half of 2016. However, our ability to remain in compliance with the covenants in our Senior Credit Agreement may be affected by events beyond our control. Further declines in prices for oil, natural gas and NGLs, our failure to achieve anticipated cost savings or operational efficiencies, or the inaccuracy in any material respect of any of the other assumptions underlying our forecast could cause us to fail to comply with the covenants contained in the Senior Credit Agreement. Any future inability to comply with these covenants, unless waived or amended by the requisite lenders, could materially and adversely affect our liquidity by precluding further borrowings and by accelerating the maturity of our debt.

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The offering

Common stock offered by us

12,000,000 shares.

Common stock to be outstanding after this offering (1)

57,109,912 shares.

Use of proceeds

We estimate that the net proceeds, after deducting the payment of estimated offering expenses payable by us, from this offering will be approximately \$ million. We intend to use the net proceeds of this offering to repay borrowings under the credit facility and for general corporate purposes. See Use of Proceeds.

Conflicts of interest

We intend to use at least 5% of the net proceeds of this offering to repay indebtedness owed by us to an affiliate of the underwriter who is a lender under our senior credit facility. See Use of Proceeds. Because of the foregoing, a conflict of interest is deemed to exist within the meaning of Rule 5121 of the Financial Industry Regulatory Authority, Inc. (FINRA). Accordingly, this offering is being made in compliance with the requirements of FINRA Rule 5121. For more information, see Underwriting (Conflicts of interest).

Risk factors

Investing in our common stock involves substantial risk. You should carefully consider the risk factors set forth in the section entitled Risk Factors and the other information contained in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference herein, prior to making an investment in our common stock. See Risk Factors beginning on page S-5 of this prospectus supplement.

New York Stock Exchange symbol: GDP

(1) Based on 45,109,912 shares outstanding as of February 26, 2015. Excludes 93,334 shares of our common stock issuable pursuant to the exercise of outstanding stock options held by former employees, all of which are currently exercisable, at a weighted average exercise price of \$26.23 per share.

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Risk factors

An investment in our common stock involves a number of risks. You should carefully consider each of the risks described below, together with all of the other information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus before deciding to invest in our common stock including the risks described in the reports we file with the SEC, that are incorporated by reference herein, particularly under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2014. If any of the following risks develops into actual events, our business, financial condition or results of operations could be negatively affected, the market price of our common stock could decline and you may lose all or part of your investment.

Risks related to our common stock

Because we have no plans to pay any dividends for the foreseeable future, investors must look solely to stock appreciation for a return on their investment in us.

We have never declared or paid cash dividends on our common stock. We currently intend to retain future earnings and other cash resources, if any, for the operation and development of our business and do not anticipate paying any cash dividends on our common stock in the foreseeable future. Payment of any future dividends will be at the discretion of our board of directors after taking into account many factors, including our financial condition, operating results, current and anticipated cash needs and plans for expansion. In addition, our current credit facility prohibits us, and our Second Lien Notes restrict us, from paying cash dividends on our common stock. Any future dividends may also be restricted by any loan agreements that we may enter into from time to time. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment. Investors seeking cash dividends should not purchase our common stock.

Insiders own a significant amount of common stock, giving them influence or control in corporate transactions and other matters, and the interests of these individuals could differ from those of other stockholders.

As of February 26, 2015, members of our board of directors and our management team beneficially own approximately 23% of our outstanding shares of common stock, including shares of our common stock underlying vested stock options. As a result, these stockholders are in a position to significantly influence or control the outcome of matters requiring a stockholder vote, including the election of directors, the adoption of an amendment to our certificate of incorporation or bylaws and the approval of mergers and other significant corporate transactions. Their control of us may delay or prevent a change of control of us and may adversely affect the voting and other rights of other stockholders.

Our certificate of incorporation and bylaws contain provisions that could discourage an acquisition or change of control of us.

Our certificate of incorporation authorizes our board of directors to issue preferred stock without shareholder approval. If our board of directors elects to issue preferred stock, it could be more difficult for a third party to acquire control of us. In addition, provisions of the certificate of incorporation and bylaws, such as limitations on shareholder proposals at meetings of shareholders and restrictions on the ability of our shareholders to call special meetings, could also make it more difficult for a third party to acquire control of us. Our bylaws provide that our board of directors is divided into three classes, each elected for staggered three-year terms. Thus, control of the board of directors cannot be changed in one year; rather, at least two annual meetings must be held before a majority of the members of the board of directors could be changed.

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These provisions of our certificate of incorporation and bylaws may delay, defer or prevent a tender offer or takeover attempt that a shareholder might consider in his or her best interest, including attempts that might result in a premium over the market price for the common stock.

Future issuances of our common shares may adversely affect the price of our common shares.

The future issuance of a substantial number of common shares into the public market, or the perception that such issuance could occur, could adversely affect the prevailing market price of our common shares. A decline in the price of our common shares could make it more difficult to raise funds through future offerings of our common shares or securities convertible into common shares.

We will have a limited number of additional authorized shares available for issuance after the completion of this offering. To increase the number of authorized shares available for issuance requires shareholder approval, which there is no assurance that we will obtain.

Our ability to raise capital through the issuance of additional shares of Common Stock or other securities convertible into Common Stock is restricted by the number of authorized shares available for issuance. We are required to reserve portions of our authorized capital stock due to our outstanding convertible senior notes, preferred stock and the Warrants. After the completion of this offering, we will have a limited number of additional authorized shares available for issuance. To raise additional equity, we may need to increase the number of authorized shares available for issuance, which requires stockholder approval. There can be no assurance that we will obtain the necessary stockholder approval to raise the number of authorized shares available for issuance. As a result, our inability to raise additional equity could negatively affect our liquidity and results of operation.

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Use of proceeds

We estimate that the net proceeds from this offering will be approximately \$ million, after deducting the estimated offering expenses payable by us. We intend to use the net proceeds of this offering to repay borrowings under the credit facility and for general corporate purposes.

As of February 27, 2015, there were \$187 million of borrowings outstanding under our senior credit facility, which bore interest at a rate of approximately 3.05%, and \$8.0 million in cash. Borrowings repaid with the net proceeds of this offering may be reborrowed in the future, subject to the terms of the facility.

An affiliate of J.P. Morgan Securities LLC is a lender under our senior credit facility, and, accordingly, will receive a portion of the proceeds from this offering pursuant to the repayment of borrowings under such facility. See Underwriting (Conflicts of interest).

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The following table sets forth our capitalization as of December 31, 2014:

on an actual basis;

on an as adjusted basis to reflect our issuance of Units as described in Summary Recent Developments Second Lien Notes and Warrant Purchase Agreement ; and

on an as further adjusted basis to reflect the completion of this offering and our application of the estimated net proceeds of this offering of approximately \$ million, after deducting estimated offering expenses payable by us.

You should read this table in conjunction with the information contained in Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements, including the related notes, contained in our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in this prospectus supplement.

	Actual	As Adjusted(2) (in thousands) (unaudited)	December 31, 2014 As Further Adjusted (unaudited)
Cash and cash equivalents	\$ 8	\$ 8	\$
Total long-term debt, including current portion:			
Senior credit facility(1)	\$ 121,000	\$ 23,000	\$
3.25% convertible senior notes due 2026	429	429	429
5.00% convertible senior notes due 2029	6,692	6,692	6,692
5.00% convertible senior notes due 2032	165,504	165,504	165,504
8.00% second-lien senior notes due 2018	100,000	100,000	100,000
8.875% senior notes due 2019	275,000	275,000	275,000
Total	\$ 568,625	\$ 570,625	\$ 547,625
Stockholders' equity:			
Preferred stock, \$1.00 par value, 10,000,000 shares authorized:			
5.375% Series B Cumulative Convertible Preferred Stock; 2,250,000 issued and outstanding actual, as adjusted and as further adjusted and as	2,250	2,250	2,250
10% Series C Cumulative Preferred Stock; 4,400 shares issued and outstanding actual, as adjusted and as further adjusted	4	4	4
9.75% Series D Cumulative Preferred Stock; 5,200 shares issued and outstanding actual, as adjusted and as further adjusted	5	5	5
Common stock, \$0.20 par value, 100,000,000 authorized, 45,105,205 shares issued and outstanding actual and as adjusted, and 57,105,205 shares issued and outstanding as further adjusted	9,021	9,021	11,421
Additional paid in capital	1,066,770	1,066,770	
Accumulated deficit	(1,093,824)	(1,093,824)	(1,093,824)
Total stockholders' equity (deficit)	\$ (15,774)	\$ (15,774)	\$

Total capitalization	\$ 552,851	\$ 554,851	\$
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- (1) As of February 27, 2015, we had approximately \$187 million in borrowings outstanding under the senior credit facility.
- (2) The issuance and sale of the Units is expected to close on March 12, 2015, subject to customary closing conditions, including the absence of any material adverse change. We cannot assure that the issuance and sale of the Units will close on schedule or at all. The completion of this offering is not contingent upon the completion of the issuance of the Units and the issuance and sale of the Units is not contingent upon the completion of this offering.

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Our common stock is traded on the New York Stock Exchange under the symbol GDP.

At February 26, 2015, the number of holders of record of our common stock without determination of the number of individual participants in security positions was 1,087 with 45,109,912 shares outstanding. High and low sales prices for our common stock for each calendar quarter are as follows:

2013	High	Low
First Quarter	\$ 16.18	\$ 8.68
Second Quarter	16.00	11.16
Third Quarter	27.65	12.18
Fourth Quarter	28.55	15.66
2014		
First Quarter	\$ 18.81	\$ 11.80
Second Quarter	30.52	15.36
Third Quarter	27.95	14.09
Fourth Quarter	14.85	2.96
2015		
First Quarter (through February 27, 2015)	\$ 4.76	\$ 2.35

On February 27, 2015, the closing sale price of our common stock, as reported by the New York Stock Exchange, was \$4.48 per share. We encourage you to obtain current market price quotations for our common stock.

Dividend policy

We have neither declared nor paid any cash dividends on our common stock and do not anticipate declaring any dividends in the foreseeable future. We expect to retain our cash for the operation and expansion of our business, including exploration, development and production activities. In addition, our senior credit facility and Second Lien Notes contain restrictions on the payment of dividends to the holders of common stock.

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Material United States federal income tax considerations for non-U.S. holders

The following is a summary of the material U.S. federal income tax considerations related to the purchase, ownership and disposition of our common stock by a non-U.S. holder (as defined below) that holds our common stock as a capital asset (generally property held for investment). This summary is based on the provisions of the Internal Revenue Code of 1986, as amended (the Code), U.S. Treasury regulations, administrative rulings and judicial decisions, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. We have not sought any ruling from the Internal Revenue Service (IRS) with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This summary does not address all aspects of U.S. federal income taxation that may be relevant to non-U.S. holders in light of their personal circumstances. In addition, this summary does not address the Medicare tax on certain investment income, U.S. federal estate or gift tax laws, any state, local or non-U.S. tax laws or any tax treaties. This summary also does not address tax considerations applicable to investors that may be subject to special treatment under the U.S. federal income tax laws, such as:

banks, insurance companies or other financial institutions;

tax-exempt or governmental organizations;

dealers in securities or foreign currencies;

traders in securities that use the mark-to-market method of accounting for U.S. federal income tax purposes;

persons subject to the alternative minimum tax;

partnerships or other pass-through entities for U.S. federal income tax purposes or holders of interests therein;

persons deemed to sell our common stock under the constructive sale provisions of the Code;

persons that acquired our common stock through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan;

certain former citizens or long-term residents of the United States; and

persons that hold our common stock as part of a straddle, appreciated financial position, synthetic security, hedge, conversion transaction or other integrated investment or risk reduction transaction.