

CONCHO RESOURCES INC
Form 8-K
August 18, 2016

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): August 15, 2016

Concho Resources Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

001-33615
(Commission File Number)

76-0818600
(I.R.S. Employer Identification No.)

One Concho Center

600 West Illinois Avenue

Midland, Texas

(Address of Principal Executive Offices)

79701

(Zip Code)

Registrant's telephone number, including area code: (432) 683-7443

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))

Item 1.01 Entry into a Material Definitive Agreement.

Underwriting Agreement

On August 15, 2016, Concho Resources Inc. (the **Company**) entered into an underwriting agreement (the **Underwriting Agreement**) with Credit Suisse Securities (USA), LLC, as representative (the **Representative**) of the several underwriters named therein (the **Underwriters**), in connection with an underwritten public offering of 10,350,000 shares of common stock (the **Common Shares**), including the Underwriters' option to purchase up to an additional 1,350,000 Common Shares. On August 16, 2016, the Underwriters exercised in full their option to purchase additional Common Shares. The Company expects the net proceeds from the offering to be approximately \$1,327.4 million, after deducting estimated fees and expenses. Net proceeds from the offering are expected to be used to finance part of the cash portion of the purchase price for the Company's recently announced acquisition of Midland Basin assets (the **Acquisition**), subject to the closing of the Acquisition, and fund part of the redemption of the Company's 7.0% Senior Notes due January 2021 (the **7.0% Notes**), with any remaining balance to be used for general corporate purposes, including funding future capital expenditures associated with the Company's acquisition, exploration and development activities. Consummation of this offering, however, is not conditioned upon completion of the Acquisition. If the Acquisition is not consummated, the Company intends to use the net proceeds after the funding of a portion of the redemption of the 7.0% Notes for general corporate purposes, including funding future capital expenditures associated with the Company's acquisition, exploration and development activities.

The issuance and sale of the Common Shares has been registered under the Securities Act of 1933, as amended (the **Securities Act**), pursuant to an automatic shelf Registration Statement on Form S-3 (Registration No. 333-206172) of the Company, filed with and deemed automatically effective by the Securities and Exchange Commission on August 6, 2015. Closing of the issuance and sale of the Common Shares is scheduled for August 19, 2016. A legal opinion relating to the validity of the Common Shares is filed herewith as Exhibit 5.1.

The Underwriting Agreement contains customary representations, warranties and agreements by the Company and customary conditions to closing, obligations of the parties and termination provisions. Additionally, the Company has agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the Underwriters may be required to make because of any of those liabilities. Furthermore, the Company has agreed with the Underwriters not to offer or sell any shares of its common stock (or securities convertible into or exchangeable for common stock), subject to limited exceptions, for a period of 60 days after the date of the Underwriting Agreement without the prior written consent of the Representative.

The Underwriters or their affiliates may be holders of the 7.0% Notes and, therefore, may receive a portion of the net proceeds from this offering. Certain of the Underwriters or their affiliates have from time to time provided investment banking, commercial banking and financial advisory services to the Company, for which they have received customary compensation. The Underwriters and their affiliates may provide similar services in the future. Certain of the underwriters and their affiliates act as administrative agent, lender, swingline lender and/or letter of credit lender under the Company's credit facility. In addition, from time to time,

certain of the Underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in the Company's debt or equity securities or loans, and may do so in the future.

The foregoing description of the Underwriting Agreement is qualified in its entirety by reference to such Underwriting Agreement, a copy of which is filed herewith as Exhibit 1.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
1.1	Underwriting Agreement, dated August 15, 2016, by and between Concho Resources Inc. and Credit Suisse Securities (USA) LLC, as representative of the several underwriters named therein.
5.1	Opinion of Vinson & Elkins L.L.P.
23.1	Consent of Vinson & Elkins L.L.P. (included in Exhibit 5.1).

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.

CONCHO RESOURCES INC.

Date: August 17, 2016

By: /s/ Travis L. Counts

Name: Travis L. Counts

Title: Vice President and General Counsel

EXHIBIT INDEX

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