

8-K - 2021-10-12

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8-K

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): October 5, 2021

Camber Energy, Inc.

(Exact name of registrant as specified in its charter)

Nevada(State or other jurisdiction
of incorporation)**001-32508**(Commission
File Number)**20-2660243**(IRS Employer
Identification Number)**15915 Katy Freeway****Suite 450, Houston, Texas**

(Address of principal executive offices)

77094

(Zip Code)

Registrant's telephone number, including area code: **(281) 404-4387****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 Instructions 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))

Securities registered pursuant to Section 12(b) of the Act: None.

Title of each class**Trading Symbols(s)****Name of each exchange on which
registered**

Common Stock, \$0.001 Par
Value Per Share

CEI

NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). ?

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ?

Item 2.01 Completion of Acquisition or Disposition of Assets.

On October 5, 2021, Viking Energy Group, Inc. (“**Viking**”), a majority-owned subsidiary of Camber Energy, Inc. (“**Camber**” or the “**Company**”), entered into an Assignment of Membership Interests (the “**Assignment Agreement**”) with TO Ichor 2021, L.L.C. (“**Assignee**”), pursuant to which Viking assigned all of its membership interests in Ichor Energy Holdings, L.L.C. (“**Holdings**”) to the Assignee, effective October 5, 2021.

Holdings is the owner of all of the membership interests in Ichor Energy, LLC (“**Ichor Energy**”), which owns all of the membership interests of Ichor Energy LA, LLC (“**Ichor LA**”) and Ichor Energy TX, LLC (“**Ichor TX**” and, together with Holdings, Ichor Energy and Ichor LA, the “**Ichor Entities**”), which collectively owned approximately 58 producing wells, 31 salt water disposal wells, 46 shut in wells and 4 inactive wells as of June 30, 2021. The assets held by the Ichor Entities were acquired by the Ichor Entities in December 2018 from an affiliate of the Assignee (the “**Original Acquisition**”).

In connection with the Original Acquisition, Holdings and Ichor Energy entered into that certain Term Loan Credit Agreement, dated as of December 28, 2018, by and among Holdings, Ichor Energy, ABC Funding, LLC, as administrative agent, and the lenders party thereto (the “**Term Loan**”). The obligations under the Term Loan are secured by mortgages on the oil and gas leases of the Ichor Entities, a security agreement covering all assets of Ichor Energy, and a pledge by Ichor Holdings of all if the membership interests in Ichor Energy. Camber and Viking are not parties to the Term Loan. Concurrent with the closing of the Original Acquisition and entrance into the Term Loan in December 2018, Ichor Energy also entered into one or more hedge contracts with respect to a certain percentage of the estimated oil and gas production from Ichor Energy’s oil and gas assets, expiring on or about December 28, 2022. The consideration for the conveyance of the Ichor Entities by Viking was the assumption by Assignee of all of the obligations associated with the Ichor Entities.

The Assignment Agreement contains a right of first refusal, and provides that if the Assignee receives an arms-length bona fide offer from any third party to purchase any of the membership interests in Holdings, such interests shall first be offered to Viking, and Viking shall have the right, exercisable within thirty (30) calendar days, to elect to purchase such membership interests upon substantially the same terms and conditions as are contained in the offer.

The foregoing description of the Assignment Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified by, the full text of the Assignment Agreement, which is filed as Exhibit 2.1 to this Current Report on Form 8-K and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(a) Pro Forma Financial Information

As previously disclosed in Camber’s Current Report on Form 8-K filed on September 16, 2021, Camber is filing restated financial statements and, accordingly, is currently unable to provide financial statements giving pro forma effect to the Assignment Agreement. Camber will provide unaudited pro forma financial statements giving effect to the transactions under the Assignment Agreement as of and for the periods required by Regulation S-X on or about the time that it provides reclassified financial statements.

Please see the Current Report on Form 8-K filed today by Viking, which includes unaudited pro forma financial statements of Viking as of and for the six months ended June 30, 2021 and year ended December 31, 2020, in each case giving effect to the transactions under the Assignment Agreement.

(d) Exhibits.

Exhibit

No.	Description
2.1	Assignment of Membership Interests
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

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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.

CAMBER ENERGY, INC.

Date: October 12, 2021

By: /s/ James A. Doris
Name: James A. Doris
Title: Chief Executive Officer

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EX-2.1

EX-2.1 2 cej_ex21.htm ASSIGNMENT OF MEMBERSHIP INTERESTS

EXHIBIT 2.1

ASSIGNMENT OF MEMBERSHIP INTERESTS

This Assignment of Membership Interests (this “**Assignment**”) dated effective as of October 5, 2021 (the “**Effective Date**”) is entered into by and between Viking Energy Group, (“**Assignor**”) and TO Ichor 2021, L.L.C. (“**Assignee**”).

RECITALS:

- A. Viking Energy Group, Inc. (“**Viking**”) owns all of the membership interests of Ichor Energy Holdings, LLC (“**Holdings**”);
- B. Holdings owns all of the membership interests of Ichor Energy, LLC (“**Ichor Energy**”), subject to certain warrants in favor of certain holders;
- C. Ichor Energy owns all of the membership interests of Ichor Energy LA, LLC (“**Ichor LA**”) and Ichor Energy TX, LLC (“**Ichor TX**”);
- D. Ichor LA owns interests in certain oil and gas properties located in Louisiana and Ichor TX owns interests in certain oil and gas properties located in Texas;
- E. Holdings, as guarantor, and Ichor Energy, Ichor LA and Ichor TX, as borrowers, are parties to a Term Loan Credit Agreement, a copy of which has been provided to the Assignee along with copies of production reports, lease operating statements, mark-to-market value of applicable hedge arrangements and other information relating to Holdings, Ichor Energy, Ichor LA and/or Ichor TX;
- F. Assignor has agreed to transfer to Assignee all of the issued and outstanding membership interests owned by Assignor of Holdings (the “**Assigned Interests**”); and
- G. Assignor desires to transfer all of the Assigned Interests to Assignee, and Assignee desires to accept the Assigned Interests from the Assignee.

NOW, THEREFORE, the parties to this Assignment hereby agree as follows:

1. Assignment of Assigned Interests. In exchange for good and valuable consideration, the receipt of which is hereby acknowledged, and effective as of the Effective Date, the Assignor hereby sells, assigns, transfers, conveys and delivers to Assignee, and Assignee hereby purchases and accepts, all of the Assigned Interests on an as-is, where-is basis.

2. Future Cooperation. Assignor and Assignee mutually agree to execute any further deeds, bills of sale, assignments, or other documents as may be reasonably requested by the other party for the purpose of giving effect to, evidencing or giving notice of the transaction evidenced by this Assignment.

Assignment of Membership Interest – Holdings

3. Amendment and Modification; Waiver. This Assignment may be amended, modified and supplemented only by written instrument duly authorized and executed by Assignor and Assignee. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and executed by the party so waiving. The waiver by either party hereto of a breach of any provision of this Assignment shall not operate or be construed as a waiver of any other provision or breach

4. Governing Law. This Assignment shall be governed by, and construed in accordance with, the internal laws of the State of Texas, without regard to conflict of law principles.

5. Counterparts. This Assignment may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

6. Severability. If any provision of this Assignment is determined to be invalid or unenforceable, in whole or in part, it is the parties' intention that such determination will not be held to affect the validity or enforceability of any other provision of this Assignment, which provisions will otherwise remain in full force and effect.

7. Successors and Assigns. This Assignment will inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

8. Right of First Refusal. If the Assignee receives from any third party or third parties with which it is dealing at arm's length, a bona fide offer (the "Offer") to purchase any of the Assigned Interests he shall forthwith notify the Assignor (the "Offeree") of the receipt of the Offer and its desire to accept same and shall contemporaneously with the giving of such notice deliver to the Assignor full particulars of the Offer. The Offeree shall then have the right, option and privilege, exercisable within thirty (30) calendar days from the receipt of the aforesaid notice to elect to purchase subject Assigned Interests upon substantially the same terms and conditions as are contained in the Offer.

Assignment of Membership Interest – Holdings

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

Assignor:

VIKING ENERGY GROUP, INC.

By: /s/ James A. Doris
Name: James A. Doris
Title: President & CEO

Assignee:

TO Ichor 2021, L.L.C.

By: /s/ April Hammel
Name: April Hammel
Title: Secretary

Assignment of Membership Interest – Holdings

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