

BASIC ENERGY SERVICES INC
Form SC 13D/A
January 26, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

(Amendment No. 2*)

Under the Securities Exchange Act of 1934

Basic Energy Services, Inc.
(Name of Issuer)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

06985P209
(CUSIP Number)

Eric L. Schondorf
Ascribe Capital LLC
299 Park Avenue, 34th Floor
New York, NY 10171
(212) 476-8000
(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

January 24, 2017
(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).



CUSIP No. 06985P209 13D Page 2

NAMES OF REPORTING PERSONS

1

I.R.S. IDENTIFICATION NOS. OF
ABOVE PERSONS (ENTITIES
ONLY)

Ascribe Capital LLC

2

CHECK THE APPROPRIATE BOX IF (a)
A MEMBER OF A GROUP

(b)

3

SEC USE ONLY

4

SOURCE OF FUNDS (SEE
INSTRUCTIONS)

OO

5

CHECK BOX IF DISCLOSURE OF
LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEM
2(D) OR 2(E)

6

CITIZENSHIP OR PLACE OF
ORGANIZATION

Delaware

7

SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

8

SHARED VOTING POWER

4,296,233

9

SOLE DISPOSITIVE POWER

-0-

10

SHARED DISPOSITIVE POWER

4,296,233

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY EACH
REPORTING PERSON

4,296,233

12 CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY AMOUNT IN
ROW (11)

16.6%(1)

14 TYPE OF REPORTING PERSON
(SEE INSTRUCTIONS)

IA

This percentage is calculated based upon 25,825,802 shares of Common Stock outstanding as of December 23, (1)2016, as reported in the Press Release dated December 22, 2016 filed as Exhibit 99.2 to the Issuer's Form 8-K filed on December 27, 2016.

CUSIP No. 06985P209 13D Page 3

NAMES OF REPORTING PERSONS

1

I.R.S. IDENTIFICATION NOS. OF
ABOVE PERSONS (ENTITIES
ONLY)

Ascribe III Investments LLC

2

CHECK THE APPROPRIATE BOX IF (a)
A MEMBER OF A GROUP

(b)

3

SEC USE ONLY

4

SOURCE OF FUNDS (SEE
INSTRUCTIONS)

OO

5

CHECK BOX IF DISCLOSURE OF
LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEM
2(D) OR 2(E)

6

CITIZENSHIP OR PLACE OF
ORGANIZATION

Delaware

7

SOLE VOTING POWER

-0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

8

SHARED VOTING POWER

4,296,233

9

SOLE DISPOSITIVE POWER

-0-

10

SHARED DISPOSITIVE POWER

4,296,233

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY EACH
REPORTING PERSON

4,296,233

12 CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY AMOUNT IN
ROW (11)

16.6%(1)

14 TYPE OF REPORTING PERSON
(SEE INSTRUCTIONS)

OO

This percentage is calculated based upon 25,825,802 shares of Common Stock outstanding as of December 23, (1)2016, as reported in the Press Release dated December 22, 2016 filed as Exhibit 99.2 to the Issuer's Form 8-K filed on December 27, 2016.

CUSIP No. 06985P209 13D Page 4

NAMES OF REPORTING PERSONS

1

I.R.S. IDENTIFICATION NOS. OF
ABOVE PERSONS (ENTITIES
ONLY)

American Securities LLC

2

CHECK THE APPROPRIATE BOX IF (a)
A MEMBER OF A GROUP

(b)

3

SEC USE ONLY

4

SOURCE OF FUNDS (SEE
INSTRUCTIONS)

OO

5

CHECK BOX IF DISCLOSURE OF
LEGAL PROCEEDINGS IS
REQUIRED PURSUANT TO ITEM
2(D) OR 2(E)

6

CITIZENSHIP OR PLACE OF
ORGANIZATION

New York

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY
EACH
REPORTING
PERSON WITH

7

SOLE VOTING POWER

-0-

8

SHARED VOTING POWER

4,296,233

9

SOLE DISPOSITIVE POWER

-0-

10

SHARED DISPOSITIVE POWER

4,296,233

11 AGGREGATE AMOUNT
BENEFICIALLY OWNED BY EACH
REPORTING PERSON

4,296,233

12 CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (SEE
INSTRUCTIONS)

13 PERCENT OF CLASS
REPRESENTED BY AMOUNT IN
ROW (11)

16.6%(1)

14 TYPE OF REPORTING PERSON
(SEE INSTRUCTIONS)

OO

This percentage is calculated based upon 25,825,802 shares of Common Stock outstanding as of December 23, (1)2016, as reported in the Press Release dated December 22, 2016 filed as Exhibit 99.2 to the Issuer's Form 8-K filed on December 27, 2016.

Explanatory Note

This Amendment No. 1 amends and supplements the statement on Schedule 13D originally filed by Ascribe Capital LLC (“Ascribe Capital”), Ascribe III Investments LLC (“Fund III”) and American Securities LLC (“American Securities”) and, collectively with Ascribe Capital and Fund III, the “Reporting Persons”) on January 3, 2017 (as amended, the “Schedule 13D”), with respect to the common stock, par value \$0.01 per share (“Common Stock”), of Basic Energy Services, Inc. (the “Issuer”). All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Schedule 13D.

Item 3. Source and Amount of Funds or Other Consideration

As of January 25, 2017, as reflected in this Schedule 13D, the Reporting Persons beneficially own an aggregate of 4,296,233 shares of Common Stock. As described in Item 4 below, the shares of Common Stock reported herein were acquired in connection with the Issuer’s chapter 11 case in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

Item 4. Purpose of Transaction.

Prior to the Effective Date of the Plan (as such terms are defined below), the Reporting Persons or their affiliates were holders of the Issuer’s existing 7.75% senior notes due 2019 and 7.75% senior notes due 2022 (collectively, the “Existing Notes”). On October 25, 2016, the Issuer and certain of its subsidiaries (collectively, the “Debtors”) filed voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code. The Debtors’ plan of reorganization (as it has been amended, modified and supplemented, the “Plan”) provided for, among other things, the equitization of the Existing Notes into Common Stock. On December 9, 2016, the Bankruptcy Court entered an order confirming the Plan. As a result, on December 23, 2016 (the “Effective Date”), the claims of the Reporting Persons and their affiliates in respect of their Existing Notes were converted into Common Stock.

The Reporting Persons and certain of their affiliates agreed to participate in the Issuer’s \$90 million debtor in possession credit facility prior to the Effective Date.

On the Effective Date, the Debtors consummated the Plan through a series of transactions and the Plan became effective pursuant to its terms. Upon emergence from chapter 11 on the Effective Date, all of the Issuer’s outstanding common stock, par value \$0.01 per share, was cancelled and the Issuer authorized 80,000,000 shares of new Common Stock. In connection with the Plan, as of the Effective Date, the Issuer has expanded its board of directors to include a nominee of the Reporting Persons, and the Reporting Persons (in coordination with another holder of Common Stock) have a right to designate an additional nominee to the board of directors.

On January 18, 2017, Fund III filed a Form 144 with the Commission disclosing its ability to sell up to one percent of the shares of Common Stock outstanding as of December 23, 2016, as reported in the Press Release dated December 22, 2016 filed as Exhibit 99.2 to the Issuer’s Form 8-K filed on December 27, 2016, as permitted under the volume restrictions of Rule 144(e) under the Securities Act of 1933, as amended. On January 24, 2017, Fund III filed a new Form 144 to reflect an increase in the maximum number of shares of Common Stock that may be sold under Rule 144(e) as a result of the recent trading volume of the Common Stock. The number of shares of Common Stock sold by the Reporting Persons as of the date of this filing are set forth in Item 5(c) below. In general, the shares of Common Stock reported herein are held for investment purposes. The Reporting Persons do not have any current plan or proposal that relates to or would result in any transaction, event or action enumerated in paragraphs (a) through (j) of Item 4 of Schedule 13D, except as otherwise described herein.

Each of the Reporting Persons reserves the right, in light of its ongoing evaluation of the Issuer's financial condition, business, operations and prospects, the market price of the Common Stock, conditions in the securities markets generally, general economic and industry conditions, its business objectives and other relevant factors, to change its plans and intentions at any time, as it deems appropriate.

Item 5. Interests in Securities of the Issuer.

The responses of the Reporting Persons to rows (7) through (13) of the cover pages of this Schedule 13D are incorporated herein by reference. The Reporting Persons beneficially own the Common Stock reported herein.

(a) There were 25,825,802 shares of Common Stock outstanding as of December 23, 2016, as reported in the Press Release dated December 22, 2016 filed as Exhibit 99.2 to the Issuer's Form 8-K filed on December 27, 2016. The shares of Common Stock reported herein represents approximately 16.6% of the outstanding Common Stock.

The responses of the Reporting Persons to rows (7) through (13) of the cover pages of this Schedule 13D are incorporated herein by reference. Fund III beneficially owns, and has the shared power to vote or direct the vote of, and the shared power to dispose or direct the disposition of, 4,296,233 shares of Common Stock, representing 16.6% of the outstanding shares of Common Stock. Ascribe Capital, as the investment manager to Fund III,

(b) beneficially owns and has the shared power to vote or direct the vote of, and the shared power to dispose or direct the disposition of, 4,296,233 shares of Common Stock, representing 16.6% of the outstanding shares of Common Stock. American Securities, as the sole owner of Ascribe Capital, beneficially owns, and has the shared power to vote or direct the vote of, and the shared power to dispose or direct the disposition of, 4,296,233 shares of Common Stock, representing 16.6% of the outstanding shares of Common Stock.

Within the past sixty days, the Reporting Persons have engaged in the following transactions in the Common Stock:

Open market sales of 91,729 shares of Common Stock on January 18, 2017 at a price per share of \$39.0879 per share.

Open market sales of 42,290 shares of Common Stock on January 19, 2017 at a price per share of \$40.0263 per (c) share.

Open market sales of 122,000 shares of Common Stock on January 20, 2017 at a price per share of \$41.6436 per share.

Open market sales of 29,900 shares of Common Stock on January 25, 2017 at a price per share of \$41.6438 per share.

(d) Not applicable.

(e) Not applicable.

Item 7. Material to Be Filed As Exhibits.

Exhibit 1 – Joint Filing Agreement, dated as of January 3, 2017, by and among the Reporting Persons (filed in original Schedule 13D, dated January 3, 2017).

Exhibit 2 – Registration Rights Agreement, dated as of December 23, 2016, by and among Basic Energy Services, Inc. and the parties thereto (incorporated by reference to Exhibit 10.1 to the Issuer's form 8-A filed on December 23, 2016).

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 26, 2017

ASCRIBE CAPITAL LLC

By: /s/ Lawrence First
Name: Lawrence First
Title: Managing Director

ASCRIBE III
INVESTMENTS LLC

By: /s/ Lawrence First
Name: Lawrence First
Title: Managing Director

AMERICAN SECURITIES LLC

By: /s/ Michael G. Fisch
Name: Michael G. Fisch
Title: Chief Executive Officer