

OUR APPROACH:

Case Study:

Timber Creek- Natural Gas Exploration and Production



Rethink

Timber Creek is a natural gas producer in the Raton Basin of southern Colorado, with over 450 production wells. With a secured debt of \$29 million and a total capital structure in excess of \$75m, the Company was subject to both swings in the natural gas index pricing and a complex liquidity position caused by bad hedging practices. The Company had experienced frequent turnover in both the CEO and CFO positions.

React

David Baker was appointed as Federal Receiver for the company in the United States District Court of the District of Colorado. He assumed the CEO role. There was considerable turmoil within the workforce and among the Company's suppliers primarily caused by the instability of upper management.

Results

Aurora developed financial forecasts for ensured liquidity while concentrating on the continuation of operations. A compensation plan for the employees was developed and implemented resulting in workforce stabilization. Aurora met with each critical vendor to ensure strong local relationships and continuation of services. A meeting was held with the largest customer, expanding the relationship. Once the Company was stabilized Mr. Baker and Aurora began the process of marketing the Company. Approximately 10 LOI's were received and the closing will occur in mid-August 2020 with the approval of the Federal Judge and the secured creditors.

AURORA MANAGEMENT PARTNERS |