
**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 1, 2024

Mammoth Energy Services, Inc.

(Exact name of registrant as specified in its charter)

**001-37917
(Commission File No.)**

Delaware
(State or other jurisdiction of incorporation or organization)

32-0498321
(I.R.S. Employer Identification No.)

**14201 Caliber Drive, Suite 300
Oklahoma City, Oklahoma**
(Address of principal executive offices)

(405) 608-6007
(Registrant's telephone number, including area code)

73134
(Zip Code)

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:

- 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:

Title of each class
Common Stock

Trading Symbol(s)
TUSK

Name of each exchange on which registered
The Nasdaq Stock Market LLC
NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§232.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

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(s) of the Exchange Act.

Item 1.02 Termination of a Material Definitive Agreement.

Introductory Note

As previously disclosed in the filings with the Securities and Exchange Commission (the “SEC”) made by Mammoth Energy Services, Inc. (“Mammoth” or the “Company”), on July 22, 2024, Cobra Acquisitions LLC (“Cobra”), a wholly-owned subsidiary of Mammoth, entered into a release and settlement agreement with the Puerto Rico Electric Power Authority (“PREPA”) and the Financial Oversight and Management Board for Puerto Rico, in its capacity as PREPA’s representative to the United States District Court for the District of Puerto Rico (the “Title III Court”), to settle all outstanding matters between Cobra and PREPA (the “Settlement Agreement”). Under the terms of the Settlement Agreement, Cobra was allowed an administrative expense claim against PREPA of \$170.0 million (plus the \$18.4 million in funds received by PREPA from the Federal Emergency Management Agency (“FEMA”) and considered payable to Cobra but for purported garnishments in this amount asserted by three Puerto Rican municipalities (the “Specified Municipalities”) for certain municipal tax claims discussed in Mammoth’s filings with the SEC (the “Withheld FEMA Funds”). Cobra’s allowed claim is payable through three installments: (i) \$150.0 million on the later of (A) ten business days following approval of the Settlement Agreement by the Title III Court and (B) August 31, 2024; (ii) \$20.0 million within seven days following the effective date of PREPA’s plan of adjustment; and (iii) \$18.4 million in the Withheld FEMA Funds within either (A) ten business days after the deadline for appealing the entry of the settlement order by the Title III Court under the applicable bankruptcy rules of procedure if no such appeal is filed, or (B) if the provisions of the settlement order allowing PREPA to release the Withheld FEMA Funds to Cobra without retaining any liability to the Specified Municipalities are appealed by such municipalities, within ten business days of the filing of the notice of such appeal. As previously announced, on September 18, 2024, the Settlement Agreement was approved by the Title III Court overruling all objections thereto and an order was entered the same day (the “Settlement Order”). On October 1, 2024, Cobra received the first installment payment of \$150.0 million from the Commonwealth of Puerto Rico in connection with the Settlement Agreement with PREPA. Also on October 1, 2024, certain Puerto Rico municipalities and Foreman Electric Services Inc. that had objected to approval of the Settlement Order each filed timely notices of appeal of the Settlement Order to the United States Court of Appeals for the First Circuit. None of the foregoing parties have sought a stay of the Settlement Order pending such appeals. Although the ultimate outcome of these appeals cannot be predicted with certainty, Cobra believes that the appeals are without merit.

Term Credit Facility

As previously disclosed in the Company’s filings with the SEC, under its term credit facility with Wexford Capital LP, an affiliate of Mammoth (“Wexford”), Mammoth was required to mandatorily remit to Wexford up to 50% of PREPA claim proceeds to reduce outstanding amounts under the term credit facility. In connection with the receipt of the first installment amount under the Settlement Agreement on October 1, 2024, the Company paid, in full, all amounts owed under the term credit facility, including the accrued and unpaid interest, in the aggregate amount of \$50.9 million, and terminated the facility on October 2, 2024. In connection with the payoff of the term credit facility, Wexford waived the 1% early termination penalty.

Item 2.04 Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.

The information set forth in Item 1.02 above with respect to the term credit facility with Wexford is incorporated herein by reference, as applicable.

Item 7.01 Regulation FD Disclosure.

On October 1, 2024, the Company issued a press release announcing the receipt of the first installment amount under the Settlement Agreement, which press release is attached hereto as Exhibit 99.1. On October 3, 2024, the Company issued a press release announcing the payoff and termination of the term credit facility and increase in its 2024 capital expenditure guidance, which press release is attached hereto as Exhibit 99.2.

The information in this Item 7.01 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and will not be incorporated by reference into any registration statement filed under the Securities Act of 1933, as amended, unless specifically identified as being incorporated by reference in the registration statement.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

[99.1](#) * [Press Release, dated October 1, 2024, entitled “Cobra Acquisitions LLC Announces Receipt of \\$150 Million.”](#)

[99.2](#) * [Press Release, dated October 3, 2024, entitled “Mammoth Announces Payoff and Termination of Term Credit Facility and Increase in 2024 Capital Expenditure Guidance.”](#)

104 Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

* Furnished herewith.

Signature

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 thereunto duly authorized.

Date: October 3, 2024

By:

MAMMOTH ENERGY SERVICES, INC.

/s/ Mark Layton

Mark Layton

Chief Financial Officer and Secretary



Cobra Acquisitions LLC Announces Receipt of \$150 Million

OKLAHOMA CITY – October 1, 2024 – Cobra Acquisitions LLC (“Cobra”), a wholly owned subsidiary of Mammoth Energy Services, Inc. (“Mammoth” or the “Company”) (NASDAQ: TUSK), today announced the receipt of \$150 million from the Commonwealth of Puerto Rico in accordance with the Settlement Agreement with the Puerto Rico Electric Power Authority (“PREPA”).

Arty Strachla, Chief Executive Officer, commented, “We are happy to have received the initial \$150 million in settlement proceeds. With this first installment, we intend to extinguish all outstanding obligations under our term credit facility on or before October 16, 2024 and we expect the remaining amount of approximately \$98.8 million, along with the \$38.4 million still owed to us through the remaining installments, will have a transformative impact on our business going forward. We now maintain a significant cash position on our balance sheet, and we will take a meticulous and strategic approach when deploying this capital. We intend to pursue accretive, value-enhancing opportunities as we strive to strengthen Mammoth for the future.”

Under the terms of the Settlement Agreement, which was approved by Judge Laura Taylor Swain, Cobra will receive total settlement proceeds of \$188.4 million. Of the \$38.4 million still owed to Cobra, \$18.4 million relates to funds PREPA has received from the Federal Emergency Management Agency (“FEMA”) but are currently withholding. These funds are to be paid out according to the terms of the Settlement Agreement, which can be found below.

Settlement Agreement Terms

The proceeds of the Settlement Agreement will be paid to Cobra through three installments: (i) \$150.0 million on the later of (A) ten business days following approval of the Settlement Agreement by the Title III Court and (B) August 31, 2024; (ii) \$20.0 million within seven days following the effective date of PREPA’s plan of adjustment; and (iii) \$18.4 million in the Withheld FEMA Funds within either (A) ten business days after the deadline for appealing the entry of the settlement order by the Title III Court under the applicable bankruptcy rules of procedure if no such appeal is filed, or (B) if the provisions of the settlement order allowing PREPA to release the Withheld FEMA Funds to Cobra without retaining any liability to the Specified Municipalities are appealed by the Specified Municipalities, within ten business days of the filing of the notice of such appeal.

About Mammoth Energy Services, Inc.

Mammoth is an integrated, growth-oriented energy services company focused on the providing products and services to enable the exploration and development of North American onshore unconventional oil and natural gas reserves as well as the construction and repair of the electric grid for private utilities, public investor-owned utilities and co-operative utilities through its infrastructure services businesses. Mammoth’s suite of services and products include: well completion services, infrastructure services, natural sand and proppant services, drilling services and other energy services. For more information, please visit www.mammothenergy.com.

Contacts:

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Forward-Looking Statements and Cautionary Statements

This news release (and any oral statements made regarding the subjects of this release, including on the conference call announced herein) contains certain statements and information that may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts that address activities, events or developments that Mammoth expects, believes or anticipates will or may occur in the future are forward-looking statements. The words “anticipate,” “believe,” “ensure,” “expect,” “if,” “intend,” “plan,” “estimate,” “project,” “forecasts,” “predict,” “outlook,” “aim,” “will,” “could,” “should,” “potential,” “would,” “may,” “probable,” “likely” and similar expressions, and the negative thereof, are intended to identify forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this news release specifically include statements, estimates and projections regarding the Company’s business outlook and plans, future financial position, liquidity and capital resources, operations, performance, acquisitions, returns, capital expenditure budgets, plans for stock repurchases under its stock repurchase program, costs and other guidance regarding future developments. Forward-looking statements are not assurances of future performance. These forward-looking statements are based on management’s current expectations and beliefs, forecasts for the Company’s existing operations, experience and perception of historical trends, current conditions, anticipated future developments and their effect on Mammoth, and other factors believed to be appropriate. Although management believes that the expectations and assumptions reflected in these forward-looking statements are reasonable as and when made, no assurance can be given that these assumptions are accurate or that any of these expectations will be achieved (in full or at all). Moreover, the Company’s forward-looking statements are subject to significant risks and uncertainties, including those described in its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings it makes with the SEC, including those relating to the Company’s acquisitions and contracts, many of which are beyond the Company’s control, which may cause actual results to differ materially from historical experience and present expectations or projections which are implied or expressed by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: demand for our services; the volatility of oil and natural gas prices and actions by OPEC members and other exporting nations affecting commodities prices and production levels; the impact of the war in Ukraine and the Israel-Hamas war on the global energy and capital markets and global stability; performance of contracts and supply chain disruptions; inflationary pressures; high interest rates and their impact on the cost of capital; instability in the banking and financial services sectors; the outcome of ongoing government investigations and other legal proceedings; the failure to receive or delays in receiving payments discussed in this news release to settle all outstanding matters between Cobra and PREPA; the Company’s inability to replace the prior levels of work in its business segments, including its infrastructure and well completion services segments; risks relating to economic conditions, including concerns over a potential economic slowdown or recession; impacts of the recent federal infrastructure bill on the infrastructure industry and our infrastructure services business; the loss of or interruption in operations of one or more of Mammoth’s significant suppliers or customers; the loss of management and/or crews; the outcome or settlement of our litigation matters and the effect on our financial condition and results of operations; the effects of government regulation, permitting and other legal requirements; operating risks; the adequacy of capital resources and liquidity; Mammoth’s ability to comply with the applicable financial covenants and other terms and conditions under Mammoth’s revolving credit facility and term loan; weather; natural disasters; litigation; volatility in commodity markets; competition in the oil and natural gas and infrastructure industries; and costs and availability of resources.

Investors are cautioned not to place undue reliance on any forward-looking statement which speaks only as of the date on which such statement is made. We undertake no obligation to correct, revise or update any forward-looking statement after the date such statement is made, whether as a result of new information, future events or otherwise, except as required by applicable law.



Mammoth Announces Payoff and Termination of Term Credit Facility and Increase in 2024 Capital Expenditure Guidance

OKLAHOMA CITY – October 3, 2024 – Mammoth Energy Services, Inc. (“Mammoth” or the “Company”) (NASDAQ: TUSK) today announced the payoff and termination of its term credit facility with Wexford Capital LP. On October 2, 2024, the Company used a portion of the proceeds received from the first installment payment from the previously disclosed settlement agreement with the Puerto Rico Electric Power Authority to pay off all outstanding amounts under its term credit facility, including accrued and unpaid interest, in the aggregate amount of \$50.9 million, and terminated the facility.

Mark Layton, Chief Financial Officer, commented, “We are excited to announce the payoff and termination of our term credit facility and are now debt free. In connection with the debt payoff, our board of directors has authorized an increase in our 2024 capital expenditure budget to \$23 million, representing an increase of \$11 million from our previously announced capex guidance. Of the \$11 million increase, we plan to use \$6 million to grow and add crews in our infrastructure division and \$5 million for maintenance to our current infrastructure fleet.”

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