



**Attn: Trading and Market Making/Legal and Compliance/Operations/Systems**  
**UNIFORM PRACTICE ADVISORY (UPC #29-16) 08/02/2016**  
**Seventy Seven Energy Inc. (SSEIQ)**

Notice has been received that the above Company's Order Confirming Debtor's Joint Prepackaged Plan of Reorganization filed under Chapter XI of the Federal Bankruptcy Code, became effective on 08/01/2016. Pursuant to the Plan, on the Effective Date, Equity Interest shall be cancelled. Existing common stockholders will receive (1) Class B Warrants at ratios of 48.96 warrants/\$1,000 of existing common stock and (2) Class C Warrants at ratios of 54.40 warrants/\$1,000 of existing common stock, exercisable, collectively, for an aggregate of 20% of the New Common Stock at predetermined equity values.

Summary details, as provided by the Plan, for the 6.625 percent Senior Notes due 2019 and the 6.50 percent Senior Unsecured Notes due 2022, are provided below for your convenience; however, please consult the Company's bankruptcy filing for thorough details.<sup>1</sup>

Description	CUSIP	Rate of Stock Per \$1,000 Principal <sup>2</sup>	Rate of Warrants Per \$1,000 Principal
6.625% Senior Notes due 2019	165258AB0	32.74615 shares	N/A
6.625% Senior Notes due 2019	165258AA2	32.74615 shares	N/A
6.625% Senior Notes due 2019	U1650HAA8	32.74615 shares	N/A
6.50% Senior Unsecured Notes due 2022	818097AB3	1.58889 shares	8.62745 Class A Warrants <sup>3</sup>

Members are reminded of their obligations under FINRA Rule 2111 if they continue to engage in transactions in the above security after the effective date.

Members are further advised that deliveries in settlement of contracts in the OLD securities, which were executed prior to the announcement that the securities had

<sup>1</sup> See e.g., *In re Seventy Seven Energy Inc., et al.*, No. 16-11409 (Order Approving the Debtors' Solicitation and Disclosure Statement, and Confirming the Joint Prepackaged Chapter 11 Plan of Reorganization).

<sup>2</sup> Holders of the 6.625% Senior Notes due 2019 will receive 96.75% of the new common stock to be issued. Holders of the 6.50% Senior Unsecured Notes due 2022 will receive the remaining 3.25%.

<sup>3</sup> Class A Warrants exercisable for 15% of the new common stock at predetermined equity values.

been deemed worthless, shall be evidenced by either a) the OLD security; or b) a Letter of Indemnity which shall grant the purchaser any rights and privileges which might accrue to the holders of the physical securities. Such deliveries shall operate to close-out the contract and shall be settled at the existing contract price pursuant to Uniform Practice Code Rule 11530.

Questions regarding this notice should be directed to: FINRA Operations- 1-866-776-0800.