

Exhibit A

McGovern Declaration

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
)	
GULFPORT ENERGY CORPORATION, <i>et al.</i> , ¹)	Case No. 20- 35562 (DRJ)
)	
Debtors.)	(Jointly Administered)
)	
)	

**DECLARATION OF DOUGLAS MCGOVERN IN
SUPPORT OF THE DEBTORS' MOTION FOR ENTRY OF
AN ORDER (I) APPROVING (A) THE ASSUMPTION OF THE BACKSTOP
COMMITMENT AGREEMENT AND (B) APPROVING THE PAYMENT OF FEES
AND EXPENSES RELATED THERETO, AND (II) GRANTING RELATED RELIEF**

I, Douglas McGovern, hereby declare under penalty of perjury:

1. I am a Partner at Perella Weinberg Partners, L.P. (together with its corporate advisory affiliates, "Perella"), a global financial advisory services and investment banking firm, which has its principal office in North America at 767 5th Avenue, New York, New York 10153. Perella is serving as investment banker to the Debtors and has been engaged in such capacity since March of 2020.

2. I submit this declaration (this "Declaration") in support of the relief requested in the *Debtors' Motion for Entry of an Order (I) Approving (A) the Assumption of the Backstop*

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Gulfport Energy Corporation (1290); Gator Marine, Inc. (1710); Gator Marine Ivanhoe, Inc. (4897); Grizzly Holdings, Inc. (9108); Gulfport Appalachia, LLC (N/A); Gulfport MidCon, LLC (N/A); Gulfport Midstream Holdings, LLC (N/A); Jaguar Resources LLC (N/A); Mule Sky LLC (6808); Puma Resources, Inc. (6507); and Westhawk Minerals LLC (N/A). The location of the Debtors' service address is: 3001 Quail Springs Parkway, Oklahoma City, Oklahoma 73134.

Commitment Agreement and (B) the Payment of Fees and Expenses Related Thereto, and (II) Granting Related Relief (the “Motion”).²

Qualifications

3. Perella is an investment banking firm that provides strategic and financial advisory services, as well as capital markets knowledge and financing and restructuring capabilities that are employed in large-scale corporate restructuring transactions. Perella’s professionals have extensive experience providing investment banking services to financially distressed companies and to creditors, equity holders, and other constituencies in reorganization proceedings and complex financial restructurings, both in- and out-of-court.

4. For instance, Perella is providing or has provided investment banking and other services in connection with the restructuring of the following companies: Algeco Scotsman Global SARL; American Tire Distributors Corporation; Approach Resources Inc.; Atlas Resource Partners, L.P.; Bonanza Creek Energy, Inc.; Breitburn Energy Partners LP; Bristow Group, Inc.; California Resources Corporation; Chaparral Energy, Inc.; Concordia International Corp.; EcoBat Holdings, Inc.; EV Energy Partners L.P.; Fieldwood Energy LLC; Gastar Exploration Inc.; Global Brokerage, Inc.; Hexion Inc.; iHeartMedia, Inc.; International Automotive Components Group S.A.; Jack Cooper Holdings Corp; Memorial Production Partners LP; Millar Western Forest Products Ltd.; Oasis Petroleum Inc.; Ocean Rig UDW Inc.; Pacific Drilling S.A.; Pacific Sunwear of California, Inc.; Peabody Energy Corporation; Pernix Therapeutics Holding Inc.; Proserv Group Inc.; Sanchez Energy Corporation; Savers Inc.; Seadrill Limited; Sears Holdings Corporation; Sprint Industrial Holdings LLC; Stone Energy Corporation; Vanguard Natural Resources, Inc.; VER Technologies HoldCo LLC; and Windstream Holdings, Inc.

² Capitalized terms used but not defined herein shall have the meaning given to such terms in the Motion.

5. I have more than fifteen years of investment banking and capital structure advisory experience assisting companies on a wide range of strategic matters. I have advised senior management and boards of directors of companies, as well as investors and creditors, across a broad range of industries in connection with restructurings, mergers and acquisitions, and financing transactions. In particular, I have been involved in numerous restructurings, including, without limitation, Atlas Production Partners, Bonanza Creek, California Resources, EV Energy Partners, Gastar Exploration, Halcón Resources, Memorial Production Partners, Oasis Petroleum, Salt Creek Midstream, and Sanchez Energy Corporation.

6. Prior to joining Perella in 2010, I held various positions, including at BPW Acquisition Corp, a special purpose acquisition company (“SPAC”) co-sponsored by Perella, where I helped lead the SPAC’s merger with Talbots, Inc. I was previously an associate of Brooklyn NY Holdings LLC, where I worked in the firm’s principal investing business. Prior to that, I worked for Windward Capital Partners from 2002 to 2005. I began my career as an Analyst at Credit Suisse First Boston. I hold a Masters of Business Administration degree from The Wharton School at the University of Pennsylvania and a Bachelor of Arts degree from Duke University.

7. I am generally familiar with the Debtors’ day-to-day operations, business affairs, financial performance, and restructuring efforts. A detailed description of the Debtors and their businesses, and the facts and circumstances supporting this motion and the Debtors’ chapter 11 cases, are set forth in the *Declaration of Quentin R. Hicks, Chief Financial Officer and Executive Vice President of Gulfport Energy Corporation, in Support of Chapter 11 Petitions and First Day Motions* [Docket No. 40] (the “First Day Declaration”).

8. Unless otherwise indicated, all facts set forth in this Declaration are based on (a) my participation in the Debtors' negotiations, (b) information learned from my review of relevant financial and operational data regarding the Debtors, (c) information received from members of the Debtors' management or other advisors, and (d) my past experience advising both distressed and non-distressed businesses and companies and their stakeholders. I am authorized by the Debtors to submit this Declaration, and, if I were called upon to testify, I could and would testify competently to the facts set forth herein.

The Backstop Commitment Agreement and Backstop Commitment Premium

9. As discussed in greater detail in the First Day Declaration,³ in July 2020, the Debtors, with the assistance of their advisors, commenced comprehensive restructuring negotiations with their major creditor constituencies, including the Ad Hoc Group of the Debtors' Unsecured Notes and the RBL Lenders. After months of good-faith, arm's length negotiations, on November 13, 2020, the parties reached a global agreement, and the Debtors entered into a restructuring support agreement with lenders holding over 95 percent of the loans under the RBL Credit Facility and holders of over 70 percent of the Unsecured Notes (the "Restructuring Support Agreement").

10. Pursuant to the Restructuring Support Agreement, the Debtors commenced these chapter 11 cases with commitments for a \$262.5 million debtor-in-possession facility, including \$105 million in new money, a \$50 million backstopped new-money equity rights offering (the "Rights Offering"), and \$580 million in exit financing. The restructuring transactions contemplated by the Restructuring Support Agreement will be implemented through the Debtors'

³ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the First Day Declaration and the Backstop Commitment Agreement, as applicable.

prearranged chapter 11 plan (the “Plan”), which will deleverage the Debtors’ balance sheet by approximately \$1.24 billion, reduce the Debtors’ high fixed costs, provide access to \$580 million in exit financing, and provide the Debtors with an additional \$50 million of new capital at emergence through the Rights Offering.

11. To ensure the success of the Rights Offering, the Ad Hoc Group (the “Backstop Parties”) agreed to backstop the Rights Offering on the terms set forth in the Backstop Commitment Agreement. Pursuant to the Backstop Commitment Agreement, the Backstop Parties agreed to, among other things, provide the Backstop Commitments (as defined below) in consideration for, among other things, the Debtors’ agreement to pay the Expense Reimbursement (as defined below) and a backstop fee of 10 percent of the Backstop Commitments (the “Backstop Commitment Premium”), subject to the terms and conditions contained in the Backstop Commitment Agreement.

12. The Backstop Commitment Premium is a nonrefundable fee of \$5 million (10 percent of the backstopped Rights Offering amount). If the Rights Offering is consummated, the Backstop Commitment Premium will be payable in the form of New Convertible Preferred Stock issued at the Per Share Price equal to 10 percent of the aggregate amount of the applicable Backstop Party’s Backstop Commitment and Subscription Price.

13. As additional consideration for the Backstop Commitment Parties’ entry into the Backstop Commitment Agreement, the Backstop Commitment Agreement provides for an expense reimbursement (the “Expense Reimbursement”), which requires the Debtors to pay, to the extent not otherwise already paid, all accrued and unpaid fees, costs, and expenses of the Backstop Parties and the Backstop Parties’ Professionals incurred in connection with the Backstop Commitment Agreement, the Restructuring Support Agreement, and these chapter 11 cases.

**Approving the Backstop Commitment Premium
and the Expense Reimbursement Is in the Best Interests of the Debtors' Estates**

14. Approving the Backstop Commitment Premium and the Expense Reimbursement and thereby securing the Backstop Commitments will benefit all parties in interest by providing increased certainty that the Debtors will have sufficient liquidity to fund distributions under their plan of reorganization, emerge from chapter 11, and operate the reorganized Debtors' go-forward business. Additionally, despite the significant headwinds that the Debtors faced during the prepetition negotiation process and continue to face, including extreme volatility and historically low natural gas prices resulting from the COVID-19 pandemic, the terms of the Backstop Commitments are reasonable and within the range of similar transactions negotiated without the presence of such headwinds. Specifically, equity investments, the riskiest investments a party can make, are particularly scarce at this moment in time in the upstream oil and gas sector.

15. Further, approval of the Backstop Commitment Premium and Expense Reimbursement does not obligate the Debtors to make any substantial payments at this time. In the event the restructuring transaction contemplated by the Restructuring Support Agreement is consummated, the Backstop Compensation Premium will be paid in the form of New Convertible Preferred Stock upon the effective date of the Debtors' Plan. Only if the Backstop Commitment Agreement is terminated before the effective date of the Debtors' plan of reorganization pursuant to section 8.10.4 of the Backstop Commitment Agreement will the Debtors be obligated to pay the Backstop Commitment Premium in cash.

16. In contrast, failure to approve the Backstop Commitment Premium and Expense Reimbursement at this time would be highly detrimental to the Debtors' estates and all parties in interest. Filing the Motion is required by the Restructuring Support Agreement and the Backstop Parties could terminate the Restructuring Support Agreement if this milestone were not met.

The Debtors' ability to obtain the Backstop Commitments at the outset of these chapter 11 cases provides significant value to the Debtors' estates, and if the relief requested in the Motion is not granted, there are no guarantees that the Debtors will be able to secure similarly sized equity commitments at a later point in these cases. The risk of the Debtors not being able to secure equity commitments in several months due to continued market volatility significantly outweighs the cost of the Backstop Commitment Premium and the Expense Reimbursement. In light of the foregoing, approving the Backstop Commitment Premium and the Expense Reimbursement is in the best interest of the Debtors and all parties in interest.

**The Backstop Commitment Premium
and Expense Reimbursement Are Reasonable and Appropriate**

17. Approval of the Backstop Commitment Premium and Expense Reimbursement in the early stages of these chapter 11 cases is reasonable and appropriate. As discussed, the Backstop Commitments are a key component of a restructuring transaction that will provide the Debtors with at least \$50 million of fresh capital and help deleverage the Debtors' balance sheet by over \$1.24 billion. The Backstop Parties were not willing to provide the Backstop Commitments absent the Backstop Commitment Premium and Expense Reimbursement, which fairly and reasonably compensate the Backstop Parties for undertaking financial risk and aid the Debtors in their restructuring efforts.

18. Based on my experience, the Backstop Commitment Premium and Expense Reimbursement are within the range of fees and expenses associated with other rights offerings in a chapter 11 context and are reasonable, particularly when taking into account the historically volatile and challenged market in which the Backstop Commitments have been obtained. A review of 32 backstop commitments associated with rights offerings equal to or in excess of \$50 million, with petition dates dating back to 2015, demonstrates that the key economic terms of the Backstop

Commitments are reasonable and within the range of the market, particularly taking into account the abovementioned factors. Further, the vast majority of these cases (approximately 90 percent) included expense reimbursement provisions similar to the Expense Reimbursement provided in the Backstop Commitment Agreement.

19. For these reasons, approval of the Backstop Commitment Premium and Expense Reimbursement at this time is necessary to ensure the Debtors preserve the Backstop Commitments, comply with the heavily negotiated deadlines and milestones negotiated with the vast majority of their funded debtholders, and continue toward a swift and successful emergence from chapter 11.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: November 24, 2020

Respectfully submitted,

/s/ Douglas McGovern

Douglas McGovern

Partner

Perella Weinberg Partners LP