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CASE SUMMARY

Case Name: [Warberg Opportunistic Trading Fund L.P., et al. v. GeoResources, Inc.](#)
Case Conclusion: June 2015
Caption: Supreme Court of the State of New York, Index No. 652332/2012
Keywords: Fair Market Value, Economic Damages, Warrants, Options
Industry: Oil & Gas Exploration
Professionals: [Joseph W. Thompson, CFA, ASA](#), and [William P. McInerney, ASA](#)

GeoResources, Inc. was a publicly-traded oil and gas exploration company with operations throughout the United States. In August 2012, GeoResources was acquired by competitor Halcón Resources Corporation.

Under the terms of the merger agreement, certain warrants on GeoResources shares were to be converted into a mix of “cash” and “equity” warrants on Halcón common shares. There was a dispute between certain holders of outstanding GeoResources warrants (the Plaintiffs) and GeoResources regarding anti-dilution adjustments to the exercise price of warrants. As a result of the dispute, the Plaintiffs returned their warrants to GeoResources and demanded payment of the fair market value of the warrants.

Plaintiffs retained Joseph W. Thompson, CFA, ASA, a Director at The Griffing Group, to provide valuation analysis of the warrants. Mr. Thompson submitted an expert report and a rebuttal report regarding the fair market value of the warrants and testified at deposition. The matter is stayed pending the outcome of Halcón’s bankruptcy proceedings.

Joseph Thompson, CFA, ASA was assisted by William P. McInerney, ASA. The plaintiffs were represented by Gary Svirsky, Brad Elias, and Garo Hoplamazian of O’Melveny & Myers LLP.