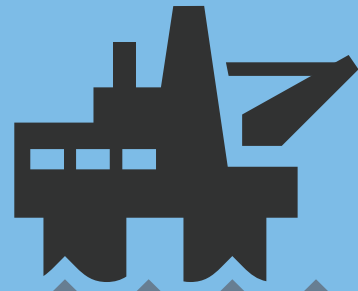


# 2016 BDO OIL & GAS RISKFACTOR REPORT



## Price Slump Continues to Plague E&P Companies



**100%**  
of companies cite  
**volatile commodity  
prices** as a risk



**96%**  
say a **lack of access  
to capital or credit** is  
a concern, the  
highest proportion in  
6 years



**>2x**  
the number of  
companies cite  
**bankruptcy** as a risk  
this year versus  
last year

**10%**  
of the top 100 E&P  
companies as  
ranked in the  
September 2015  
OGJ150 index have  
**declared  
bankruptcy, been  
acquired or been  
delisted from U.S.  
stock exchanges**

## Business Interruption Risks Abound



**97%**  
of companies cite  
**unexpected weather events  
and natural disasters**



**85%**  
of E&Ps point to **terrorism and  
turbulent geopolitics** as a major  
risk, the highest percentage  
since the study's inception



**74%**  
of companies note  
**cybersecurity threats** as a  
worry, up from 12% in 2012

## Regulatory Scrutiny Remains a Critical Concern



**100%**  
of companies  
mention **regulatory  
concerns** as a risk  
for the **6th  
consecutive year**



**96%**  
say **environmental  
regulation** remains a  
challenge



**85%**  
mention regulations  
specifically related to  
**greenhouse gas  
emissions**



**83%**  
are worried about  
**pollution-related  
liabilities**

BDO's Oil & Gas RiskFactor Report examines the risk factors listed in the most recent SEC 10-K filings of the 100 largest publicly traded U.S. E&P companies; the factors were analyzed and ranked by order of frequency cited.

For more information, contact:  
**Charles Dewhurst**  
713-548-0855 / [cdewhurst@bdo.com](mailto:cdewhurst@bdo.com)  
or visit [bdo.com/natural-resources](http://bdo.com/natural-resources)

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. For more information please visit: [www.bdo.com](http://www.bdo.com).

Material discussed is meant to provide general information and should not be acted on without professional advice tailored to your firm's individual needs.

© 2016 BDO USA, LLP. All rights reserved.

