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#	Section Type	Company	Date Filed
1	10-Q ➢ Notes To Financial Statements ➢ Subsequent Events	ENERPAC TOOL GROUP CORP	03/25/2020
2	10-K ➢ Notes To Financial Statements ➢ Subsequent Events	SUMMIT HEALTHCARE REIT, INC	03/25/2020
3	424B ➢ Risk Factors ➢ Business (Miscellaneous)	DEERE & CO	03/25/2020
4	10-Q ➢ Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations ➢ Unclassified	ADOBE INC.	03/25/2020
5	10-K ➢ Item 1A. Risk Factors ➢ Health Epidemics and Diseases	EP ENERGY LLC	03/25/2020
6	10-K ➢ Notes To Financial Statements ➢ Asset Impairments and Retirement	EP ENERGY CORP	03/25/2020
7	10-K ➢ Item 1A. Risk Factors	TRANSATLANTIC PETROLEUM LTD.	03/25/2020

Notes: Example disclosure on COVID-19’s impact on the demand for products or services. On March 25, the SEC’s Division of Corporation Finance issued CF Disclosure Guidance Topic No. 9. The guidance listed a series of questions for assessing and disclosing the evolving impact of COVID-19 including: “Do you expect COVID-19 to materially affect the demand for your products or services?”

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Section Type:	10-Q ➢ Notes To Financial Statements ➢ Subsequent Events
Company:	ENERPAC TOOL GROUP CORP
Date Filed:	03/25/2020

Notes: Example disclosure on COVID-19's impact on the demand for products or services. On March 25, the SEC's Division of Corporation Finance issued CF Disclosure Guidance Topic No. 9. The guidance listed a series of questions for assessing and disclosing the evolving impact of COVID-19 including: "Do you expect COVID-19 to materially affect the demand for your products or services?"

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	Section Type	Form	Company	Date Filed
1.	10-Q ➤ Notes To Financial Statements ➤ Subsequent Events	10-Q	ENERPAC TOOL GROUP CORP (EPAC)	03/25/2020

Note 16. Subsequent Events

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. COVID-19 continues to spread throughout the world and has led certain countries or jurisdictions within to restrict travel or social gatherings (including at places of business). In addition, in March 2020, as a result of the weakened demand for oil resulting from COVID-19 in addition to political tensions between several large oil producing countries, there has been a substantial decline in oil prices. The Company's results of operations and financial condition will be negatively impacted through the duration of the **pandemic** and the low oil prices, but that impact cannot be reasonably estimated due to uncertainty associated with i) the duration of the **pandemic** (though expected to be short term) and the low oil prices and ii) the extent of the impact during the duration on the Company's facilities and employees, customer **demand**, and availability of **materials** through supply channels. As such, there could be a material adverse impact on the Company's financial condition or results of operations.

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Section Type:	10-K ➢ Notes To Financial Statements ➢ Subsequent Events
Company:	SUMMIT HEALTHCARE REIT, INC
Date Filed:	03/25/2020

Notes: Example disclosure on COVID-19's impact on the demand for products or services. On March 25, the SEC's Division of Corporation Finance issued CF Disclosure Guidance Topic No. 9. The guidance listed a series of questions for assessing and disclosing the evolving impact of COVID-19 including: "Do you expect COVID-19 to materially affect the demand for your products or services?"

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	Section Type	Form	Company	Date Filed
2.	10-K ➢ Notes To Financial Statements ➢ Subsequent Events	10-K	SUMMIT HEALTHCARE REIT, INC	03/25/2020

14. Subsequent Events

Issuance of Stock Options

On January 1, 2020, the Compensation Committee of the Board of Directors approved the issuance of 45,000 stock options to our employees. The stock options will be granted under the Incentive Plan (see Note 10), will vest monthly over three years and expire 10 years from the grant date.

Novel Coronavirus (COVID-19) Update

The outbreak of the novel coronavirus (or COVID-19) continues to grow both in the U.S. and globally. It is impossible to predict the effect and ultimate impact of the COVID-19 pandemic on our operations and results as the situation is rapidly evolving. Our rental revenue and operating results depend significantly on the demand for senior housing and skilled nursing and our tenants ability to pay us rent. While we have not seen a direct impact on the demand for senior housing and skilled nursing resulting from the **COVID**-19 outbreak as of the date of this report, the rapid development and fluidity of this situation precludes any prediction as to the ultimate **material** adverse impact on the **demand** for senior housing and skilled nursing and presents material uncertainty and risk with respect to our business, operations, financial condition and liquidity.

Section Type:	424B ➤ Risk Factors ➤ Business (Miscellaneous)
Company:	DEERE & CO
Date Filed:	03/25/2020

Notes: Example disclosure on COVID-19's impact on the demand for products or services. On March 25, the SEC's Division of Corporation Finance issued CF Disclosure Guidance Topic No. 9. The guidance listed a series of questions for assessing and disclosing the evolving impact of COVID-19 including: "Do you expect COVID-19 to materially affect the demand for your products or services?"

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	Section Type	Form	Company	Date Filed
3.	424B ➤ Risk Factors ➤ Business (Miscellaneous)	424B3	DEERE & CO (DE)	03/25/2020

The COVID-19 pandemic could materially adversely affect our business, financial condition, results of operations and/or cash flows.

COVID-19 was identified in China in late 2019 and has spread globally. The rapid spread has resulted in authorities implementing numerous measures to try to contain the virus, such as travel bans and restrictions, quarantines, shelter in place orders and shutdowns. Even though we believe we are a U.S. federally-designated essential critical business, these measures have impacted and may further impact all or portions of our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. We have significant manufacturing operations in the U.S., Canada and other countries, and each of these countries has been affected by the **pandemic** and taken measures to try to contain it. There is considerable uncertainty regarding such measures and potential future measures. Future restrictions on our access to our manufacturing facilities or on our support operations or workforce, or similar limitations for our suppliers, and restrictions or disruptions of transportation, port closures and increased border controls or closures, could limit our ability to meet customer **demand** and have a **material** adverse effect on our financial condition, cash flows and results of operations. There is no certainty that measures taken by governmental authorities will be sufficient to mitigate the risks posed by the virus, and our ability to perform critical functions could be harmed.

In recent weeks, the **COVID**-19 **pandemic** has also significantly increased economic and **demand** uncertainty, and has led to disruption and volatility in the global capital markets, which increases the cost of capital and adversely impacts access to capital. It is likely that the **COVID**-19 **pandemic** will cause an economic slowdown, and it is possible that it could cause a global recession. Risks related to negative economic conditions are described in our risk factor titled "Negative economic conditions and outlook can **materially** weaken **demand** for John Deere's equipment and services, limit access to funding and result in higher funding costs" under "Risk Factors" in our Annual Report on Form 10-K for the year ended November 3, 2019.

The ultimate magnitude of **COVID**-19, including the extent of its impact on our financial and operational results, which could be material, will be determined by the length of time that the pandemic continues, its effect on the demand for our products and services and the supply chain, as well as the effect of governmental regulations imposed in response to the pandemic. We cannot at this time predict the impact of the COVID-19 pandemic, but it could have a material adverse effect on our business, financial condition, results of operations and/or cash flows.

Section Type:	10-Q ➢ Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations ➢ Unclassified
Company:	ADOBE INC.
Date Filed:	03/25/2020

Notes: Example disclosure on COVID-19's impact on the demand for products or services. On March 25, the SEC's Division of Corporation Finance issued CF Disclosure Guidance Topic No. 9. The guidance listed a series of questions for assessing and disclosing the evolving impact of COVID-19 including: "Do you expect COVID-19 to materially affect the demand for your products or services?"

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	Section Type	Form	Company	Date Filed
4.	10-Q ➢ Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations ➢ Unclassified	10-Q	ADOBE INC. (ADBE)	03/25/2020

COVID-19 UPDATE

In December 2019, a novel coronavirus disease (“COVID-19”) was reported and in January 2020, the World Health Organization (“WHO”) declared it a Public Health Emergency of International Concern. On February 28, 2020, the WHO raised its assessment of the COVID-19 threat from high to very high at a global level due to the continued increase in the number of cases and affected countries, and on March 11, 2020, the WHO characterized COVID-19 as a pandemic. Due to the concerns over the COVID-19 pandemic, we canceled the in-person 2020 Adobe Summit and replaced it with a digital event at the end of March 2020.

The broader implications of **COVID**-19 on our results of operations and overall financial performance remain uncertain. The **COVID**-19 **pandemic** and its adverse effects have become more prevalent in the locations where we, our customers, suppliers or third-party business partners conduct business and as a result, we have begun to experience more pronounced disruptions in our operations. We may experience constrained supply or curtailed customer **demand** that could **materially** adversely impact our business, results of operations and overall financial performance in future periods. Specifically, we may experience impact from enterprises deferring bookings decisions, delaying consulting services implementations and reducing marketing spend; consumers reducing spending in countries more adversely impacted by the **COVID**-19 situation; and decreases in software license revenue driven by channel partners. While our revenue and earnings are relatively predictable as a result of our subscription-based business model, the effect of the COVID-19 pandemic will not be fully reflected in our results of operations and overall financial performance until future periods. *See Risk Factors for further discussion of the possible impact of the COVID-19 pandemic on our business.*

Section Type:	10-K ➢ Item 1A. Risk Factors ➢ Health Epidemics and Diseases
Company:	EP ENERGY LLC
Date Filed:	03/25/2020

Notes: Example disclosure on COVID-19's impact on the demand for products or services. On March 25, the SEC's Division of Corporation Finance issued CF Disclosure Guidance Topic No. 9. The guidance listed a series of questions for assessing and disclosing the evolving impact of COVID-19 including: "Do you expect COVID-19 to materially affect the demand for your products or services?"

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	Section Type	Form	Company	Date Filed
5.	10-K ➢ Item 1A. Risk Factors ➢ Health Epidemics and Diseases	10-K	EP ENERGY LLC	03/25/2020

Events outside of our control, including an epidemic or outbreak of an infectious disease, such as the Coronavirus Disease 2019 (or COVID-19), may materially adversely affect our business.

We face risks related to epidemics, outbreaks or other public health events that are outside of our control, and could significantly disrupt our operations and adversely affect out financial condition. For example, the recent outbreak in Wuhan, China of COVID-19, which has spread across the globe and impacted financial markets and worldwide economic activity, may adversely affect out operations or the health of our workforce by rendering employees or contractors unable to work or unable to access our facilities for an indefinite period of time. In addition, the effects of **COVID**-19 and concerns regarding its global spread could negatively impact the domestic and internal **demand** for crude oil and natural gas, which could contribute to price volatility, impact the price we receive for oil and natural gas and **materially** and adversely affect the **demand** for and marketability of our production. As the potential impact from **COVID**-19 is difficult to predict, the extent to which it may negatively affect our operating results or the duration of any potential business disruption is uncertain. Any potential impact will depend on future developments and new information that may emerge regarding the severity and duration of COVID-19 and the actions taken by authorities to contain it or treat its impact, all of which are beyond our control. These potential impacts, while uncertain, could adversely affect our operating results.

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Section Type:	10-K ➢ Notes To Financial Statements ➢ Asset Impairments and Retirement
Company:	EP ENERGY CORP
Date Filed:	03/25/2020

Notes: Example disclosure on COVID-19's impact on the demand for products or services. On March 25, the SEC's Division of Corporation Finance issued CF Disclosure Guidance Topic No. 9. The guidance listed a series of questions for assessing and disclosing the evolving impact of COVID-19 including: "Do you expect COVID-19 to materially affect the demand for your products or services?"

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	Section Type	Form	Company	Date Filed
6.	10-K ➢ Notes To Financial Statements ➢ Asset Impairments and Retirement	10-K	EP ENERGY CORP (EPEGQ)	03/25/2020

3. Impairment Charges

We evaluate capitalized costs related to proved properties upon a triggering event (e.g., a significant continued decline in forward commodity prices or significant reduction to development capital) to determine if an impairment of such properties has occurred. Commodity price declines may cause changes to our capital spending levels, production rates, levels of proved reserves and development plans, which may result in an impairment of the carrying value of our proved properties in the future.

For the year ended December 31, 2019, as a result of the filing of our Chapter 11 Cases (see Note 1A) and the uncertainties surrounding the availability of financing that would be available to develop our proved undeveloped reserves, we performed an impairment assessment of our asset groups under ASC 360. As a result, the undiscounted future cash flows related to our NEU proved properties were not in excess of the related carrying value of the asset. Accordingly, we have recorded a non-cash impairment charge of approximately $458 million related to this asset group, reflecting a reduction in the net book value of the proved property in this area to its estimated fair value.

During the fourth quarter of 2018, due to the significant reduction to future development capital in the Permian basin in light of the depressed oil price environment, we recorded non-cash impairment charges of approximately (i) $1,044 million on our proved properties, reflecting a reduction in the net book value of the proved property in this area to its estimated fair value and (ii) $59 million on our unproved properties.

Subsequent to December 31, 2019, the **COVID**-19 outbreak has had a **material** impact on the **demand** for oil and the price of oil has significantly decreased as a result of the decrease in demand and the failure of OPEC and Russia to reach an agreement with respect to production cuts. These recent events will continue to have an impact on oil price volatility, the scale and duration of which remain uncertain. If oil prices remain at or below current levels for an extended period of time, this may result in further impairments of the carrying value of our proved properties in the future.

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Section Type:	10-K ➤ Item 1A. Risk Factors
Company:	TRANSATLANTIC PETROLEUM LTD.
Date Filed:	03/25/2020

Notes: Example disclosure on COVID-19's impact on the demand for products or services. On March 25, the SEC's Division of Corporation Finance issued CF Disclosure Guidance Topic No. 9. The guidance listed a series of questions for assessing and disclosing the evolving impact of COVID-19 including: "Do you expect COVID-19 to materially affect the demand for your products or services?"

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Risks Related to Our Business

The prevailing commodity price environment may require us to sell certain assets, restructure our debt, raise additional capital or seek bankruptcy protection.

During March 2020, crude oil prices declined to approximately $25 per barrel for Brent crude, and the price remains volatile and unpredictable. At current prices for Brent crude, our current liquidity position is constrained and is forecast to worsen during 2020 as revenues are insufficient to meet our ordinary course expenditures and debt obligations. Our management is actively pursuing improving our working capital position and/or reducing our future debt service obligations in order to remain a going concern for the foreseeable future. If we are unable to restructure our outstanding debt or accounts payable obligations, obtain additional debt or equity financing, or raise adequate proceeds from sales of assets, we may not be able to make payments on our indebtedness or accounts payable, and we may find it necessary to file a voluntary petition for reorganization relief in order to provide us additional time to identify an appropriate solution to our financial situation and implement a plan of reorganization aimed at improving our capital structure.

There is substantial doubt about our ability to continue as a going concern.

We incurred a net loss of $5.4 million for the fiscal year ended December 31, 2019. We continue to experience decreased liquidity as a result of the decline in oil commodity prices. In March 2020, crude oil prices declined to approximately $25 per barrel for Brent crude as a result of market concerns about the economic impact from the coronavirus (COVID-19) as well as the ability of OPEC and Russia to agree on a perceived need to implement further production cuts in response to weaker worldwide demand. The current futures forward curve for Brent crude indicates that prices may continue at or near current prices for an extended time. As a result, we have reduced our planned capital expenditures to those necessary for production lease maintenance and those projecting a return on invested capital at current prices. In order to mitigate the impact of reduced prices on our 2020 cash flows and liquidity, we plan to implement cost reduction measures to reduce our operating costs and general and administrative expenses. In connection therewith, we intend to prioritize funding operating expenditures over general and administrative expenditures, whenever possible. Notwithstanding these measures, there remain risks and uncertainties regarding our ability to generate sufficient revenues at current oil prices to pay our debt obligations and accounts payable when due. These risks and uncertainties raise substantial doubt about our ability to continue as a going concern. The consolidated financial statements included in this report do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts of liabilities that might result from the outcome of this uncertainty.

All of our operations are conducted in Turkey and Bulgaria, and we are subject to political, economic and other risks and uncertainties in these countries.

All of our operations are performed in the emerging markets of Turkey and Bulgaria, which may expose us to risks different than those associated with U.S. or Canadian markets. Due to our foreign operations, we are subject to the following issues and uncertainties that can adversely affect our operations:

- the risk of, and disruptions due to, expropriation, nationalization, war, terrorism, revolution, election outcomes, economic instability, political instability, or border disputes;
- the uncertainty of local contractual terms, renegotiation or modification of existing contracts and enforcement of contractual terms in disputes before local courts;
- the risk of import, export and transportation regulations and tariffs, including boycotts and embargoes;
- the risk of not being able to procure residency and work permits for our expatriate personnel;
- the requirements or regulations imposed by local governments upon local suppliers or subcontractors, or being imposed in an unexpected and rapid manner;
- taxation and revenue policies, including royalty and tax increases, retroactive tax claims and the imposition of unexpected taxes or other payments on revenues;
- exchange controls, currency fluctuations and other uncertainties arising out of foreign government sovereignty over foreign operations;

- laws and policies of Canada and the United States, including the U.S. Foreign Corrupt Practices Act ("FCPA"), and of the other countries in which we operate affecting foreign trade, taxation and investment, including sanctions and anti-bribery and anti-corruption laws;
- our internal control policies may not protect us from reckless and criminal acts committed by our employees or agents, including violations or alleged violations of the FCPA;
- the possibility of being subjected to the exclusive jurisdiction of foreign courts in connection with legal disputes and the possible inability to subject foreign persons to the jurisdiction of courts in the United States; and
- the possibility of restrictions on repatriation of earnings or capital from foreign countries.

To manage these risks, we sometimes form joint ventures and/or strategic partnerships with local private and/or governmental entities. Local partners provide us with local market knowledge. However, there can be no assurance that changes in conditions or regulations in the future will not affect our profitability or ability to operate in such markets.

Acts of violence, terrorist attacks or civil unrest in Turkey and nearby countries, or sanctions on Turkey or individuals or entities in Turkey, could adversely affect our business.

During 2019, we derived all of our revenue from our operations in Turkey and substantially all of our oil production was derived from Southeastern Turkey. Historically, the Southeastern area of Turkey and nearby countries such as Iran, Iraq, and Syria have occasionally experienced political, social, security, and economic problems, terrorist attacks, insurgencies, war, and civil unrest. Since December 2010, political instability has increased in a number of countries in the Middle East and North Africa. As a result of the civil war in Syria, large numbers of Syrian refugees have fled to Turkey. In addition, tensions continue between Turkey and Syria. In October 2019, President Trump announced a decision to withdraw U.S. military forces from certain areas of Northeastern Syria, and Turkey announced the establishment of a safe zone along the border with Syria, contiguous to the region where our Southeast Turkey licenses are located. Separately, Turkey has experienced occasional terrorist incidents. In July 2016, there was a failed attempt to overthrow the government of President Recep Tayyip Erdoğan.

On October 14, 2019, U.S. President Trump issued an executive order authorizing certain sanctions against Turkey, including specifically parties specially designated under this order in connection with Turkey's military actions in Northern Syria. The U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") specifically designated and placed sanctions on two Turkish ministries and three government officials, including the Turkish Ministry of Energy and Natural Resources ("MENR") and the Turkish Minister of Energy and Natural Resources, and issued a 30-day wind down license for affected operations and businesses. Our licenses in Turkey are issued by the MENR. Subsequently, on October 23, 2019, OFAC lifted these sanctions designations, while leaving the executive order in place. While the executive order does not impose any specific sanctions affecting Turkey at this time, additional sanctions could be imposed by OFAC under authority established by this order against ministries, entities, or persons in Turkey, including in connection with or unrelated to draft bills that have been proposed in the U.S. House of Representatives and the U.S. Senate that call for a range of potential new sanctions on Turkey, including sanctions against the Turkish energy industry, that could have a materially adverse effect on our business.

On November 11, 2019, the European Union adopted a framework for restrictive measures in response to Turkey's illegal drilling activities in the Eastern Mediterranean. On February 27, 2020, the EU took its first action under this framework, designating two individuals connect4ed with TPAO, namely Mehmet Ferru Akalin, the Vice-President and member of the Board of Directors, and Mr. Ali Coscun Namoglu, Deputy Director of the Exploration Department. While the designations of these two individuals does not prohibit activities with TPAO, additional sanctions could be imposed by the EU under authority established by this framework including further sanctions against the Turkish energy industry, that could have a materially adverse effect on our business.

The recent conflict with the terrorist group Islamic State in Iraq and Syria ("ISIS"), the tension in and involving the Kurdish regions of Northern Iraq and Northern Syria, which are contiguous to the region where our Southeast Turkey licenses are located, the aftermath of the attempted coup d'etat, as well as activities relating to Libya, and the threat of sanctions on Turkey may have political, social, or security implications in Turkey or otherwise may impact the Turkish economy.

Turkey has also experienced problems with domestic terrorist and ethnic separatist groups. For example, Turkey has been in conflict for many years with the People's Congress of Kurdistan (formerly known as the PKK), an organization that is listed as a terrorist organization by states and organizations, including Turkey, the European Union, and the United States.

The potential impact on our business from such events, conditions, and conflicts in these countries is uncertain. We may be unable to access the locations where we conduct operations or transport oil to our offtakers in a reliable manner. In those locations where we have employees or operations, we may incur substantial costs to maintain the safety of our personnel and our operations.

We have a history of losses and may not achieve consistent profitability in the future.

We have incurred substantial losses in prior years. During 2019, we generated a net loss of $5.4 million. We will need to generate and sustain increased revenue levels in future periods in order to become consistently profitable, and even if we do, we may not be able to maintain or increase our level of profitability. We may incur losses in the future for a number of reasons, including the risks described herein, unforeseen expenses, difficulties, complications and delays and other unknown risks.

We depend on the services of our chairman and chief executive officer.

We depend on the performance of Mr. Mitchell, our chairman and chief executive officer. The loss of Mr. Mitchell could negatively impact our ability to execute our strategy. We do not maintain a key person life insurance policy on Mr. Mitchell.

We could lose permits or licenses on certain of our properties in Turkey unless the permits or licenses are extended or we commence production and convert the permits or licenses to production leases or concessions.

At December 31, 2019, of our total net undeveloped acreage, 38.5% and 9.3% will expire during 2020 and 2023, respectively, unless we are able to extend the permits or licenses covering this acreage or commence production on this acreage and convert the permits or licenses into production leases or concessions. If our permits or licenses expire, we will lose our right to explore and develop the related properties. Our drilling plans for these areas are subject to change based upon various factors, including factors that are beyond our control. Such factors include drilling results, oil and natural gas prices, the availability and cost of capital, drilling and production costs, availability of drilling services and equipment, gathering system and pipeline transportation constraints, and regulatory approvals. In addition, if our liquidity continues to be constrained and we are not able to access additional capital, we may be unable to fund the drilling of some of our obligation wells, and we could lose some of our licenses.

Substantially all of our oil is sold to one customer, and the loss of this customer could have a material adverse impact on our results of operations.

TUPRAS, an affiliate of Koç Holding, purchases substantially all of our oil production from Turkey, representing 97.7% of our total revenues in 2019. Under Turkish law, TUPRAS is obligated to purchase all of our oil production in Turkey, and we are prohibited from selling any of our oil produced in Turkey to any other customer. Pursuant to a purchase and sale agreement with TUPRAS, the price of oil delivered to TUPRAS is determined under the Petroleum Market Law No. 5015 (the "Pricing Amendment") under the laws of the Republic of Turkey. In February 2019, Turkey amended Petroleum Market Law No. 5015 to change the statutory pricing formula for purchases of Turkish domestic crude oil. In November 2019, TUPRAS filed a lawsuit against us, and filed similar lawsuits against other domestic oil producers, in the Batman 4th Civil Court of First Instance seeking restitution from TransAtlantic Exploration Mediterranean International Pty Ltd ("TEMI") for alleged overpayments resulting from the implementation of the Pricing Amendment plus interest thereon. In addition, TUPRAS claimed that the Pricing Amendment violates the Constitution of the Republic of Turkey and seeks to have the Pricing Amendment cancelled. If TUPRAS reduces its oil purchases or fails to purchase our oil production, or there is a material non-payment, our results of operations could be materially and adversely affected. TUPRAS may be subject to its own operating risks that could increase the risk that it could default on its obligations to us. Changes to Turkish law or our commercial relationship with TUPRAS could adversely affect our business and results of operations.

A significant failure of our computer systems may increase our operating costs or otherwise adversely affect our business.

We depend upon our computer systems to perform accounting and administrative functions as well as manage other aspects of our operations. We maintain normal backup polices with respect to our computer systems and networks. Nevertheless, our computer systems and networks are subject to risks that may cause interruptions in service, including, but not limited to, security breaches, physical damage, power loss, software defects, hacking attempts, computer viruses and malware, lost data and programming and/or human errors. Significant interruptions in service, security breaches or lost data may have a material adverse effect on our business, financial condition or results of operations.

Our indebtedness could adversely affect our financial condition and prevent us from fulfilling our debt service and other obligations.

Our indebtedness could have significant effects on our business. For example, it could:

- make it more difficult for us to satisfy our financial obligations, including with respect to our indebtedness, and any failure to comply with the obligations of any of our debt agreements, including financial and other restrictive covenants, could result in an event of default under the agreements governing our indebtedness;
- increase our vulnerability to general adverse economic, industry and competitive conditions, especially declines in oil and natural gas prices;
- limit our ability to borrow additional funds; and
- limit our financial flexibility.

Each of these factors may have a material and adverse effect on our financial condition and viability. Our ability to make payments with respect to our indebtedness and to satisfy any other debt obligations will depend on commodity prices and our future operating performance, which will be affected by prevailing economic conditions and financial, business and other factors affecting us and our industry, many of which are beyond our control.

We could experience labor disputes that could disrupt our business in the future.

As of December 31, 2019, 36 of our employees at one of our subsidiaries operating in Turkey were represented by collective bargaining agreements with PETROL-IS. Potential work disruptions from labor disputes with these employees could disrupt our business and adversely affect our financial condition and results of operations.

Risks Related to the Oil and Natural Gas Industry

Oil and natural gas prices are volatile. Declines in prices could adversely affect our financial condition, results of operations, cash flows, access to capital, and ability to grow.

Oil and natural gas prices are volatile. The decline since late 2014 in oil and natural gas prices has reduced our revenue, cash flows, and access to capital, and on March 9, 2020, the price of oil fell approximately 20% due to a dispute over production levels between Russia and Saudi Arabia, as a result of which Saudi Arabia increased its production to record levels. Since that time, the price of oil has continued to fall due to concerns about the impact of coronavirus (COVID-19) on the demand for oil. Lower oil and natural gas prices also potentially reduce the amount of oil and natural gas that we can economically produce resulting in a reduction in the proved oil and natural gas reserves we could recognize. Thus, significant and sustained commodity price reductions could materially and adversely affect our financial condition and results of operations which could impact, maintain or increase our current levels of borrowing, our ability to repay current or future indebtedness, refinance our current indebtedness or obtain additional capital on attractive terms.

The markets for crude oil and natural gas have historically been, and are likely to continue to be, volatile and subject to wide fluctuations in response to numerous factors, including the following:

- worldwide and domestic supplies of oil and gas, and the productive capacity of the oil and gas industry as a whole;
- changes in the supply and the level of consumer demand for such fuels;
- overall global and domestic economic conditions;
- political conditions in oil, natural gas, and other fuel-producing and fuel-consuming areas;
- the availability and capacity of gathering, transportation, processing, and/or refining facilities in regional or localized areas that may affect the realized price for crude oil or natural gas;
- the price and level of imports of crude oil, refined petroleum products, and liquefied natural gas;
- weather conditions, including effects of weather conditions on prices and supplies in worldwide energy markets;
- the occurrence or threat of epidemic or pandemic diseases, such as the recent outbreak of coronavirus (COVID-19), or any government response to such occurrence or threat;
- technological advances affecting energy consumption and conservation;

- the ability of the members of the Organization of Petroleum Exporting Countries (“OPEC”) and other exporting countries to agree to and maintain crude oil prices and production controls;
- the oil price war between Russia and Saudi Arabia;
- the competitive position of each such fuel as a source of energy as compared to other energy sources;
- strengthening and weakening of the U.S. Dollar relative to other currencies; and
- the effect of governmental regulations and taxes on the production, transportation, and sale of oil, natural gas, and other fuels.

These factors and the volatility of the energy markets make it extremely difficult to predict future oil and gas price movements with any certainty, but in general we expect oil and gas prices to continue to fluctuate significantly.

The recent global downturn in the price of oil may materially and adversely affected our results of operations, cash flows and financial condition, and this trend could continue during 2020 and potentially beyond. As mentioned above, in early March 2020, the market experienced a precipitous decline in oil prices in response to oil demand concerns due to the economic impacts of the a highly transmissible and pathogenic coronavirus (COVID-19) and anticipated increases in supply from Russia and OPEC, particularly Saudi Arabia. The recent announcement by Saudi Arabia of a significant reduction in its export prices as well as a recent announcement by Russia that previously agreed upon production cuts will expire on April 1, 2020, have contributed to the recent significant decline in the price of oil. Generally, demand for oil has declined substantially. These trends could materially and adversely affect our results of operations, cash flows and financial condition, and unless conditions in our industry improve, this trend will continue during 2020 and potentially beyond.

In addition, if a pandemic or epidemic such as the coronavirus (COVID-19) **pandemic** were to significantly impact areas of Turkey where we have operations, our local workforce could be affected which could also significantly disrupt our operations and decrease our ability to produce oil or natural gas. The duration of the business disruption and related financial impact from the **coronavirus** (**COVID**-19) **pandemic** cannot be reasonably estimated at this time. If the impact of the **coronavirus** (**COVID**-19) **pandemic** continues for an extended period of time, it could **materially** adversely affect the **demand** for oil or natural gas and our ability to operate our business. The extent to which the **coronavirus** (COVID-19) or other health pandemics or epidemics may impact our results will depend on future developments, which are highly uncertain and cannot be predicted.

Reserves estimates depend on many assumptions that may turn out to be inaccurate.

Our reserves are estimated by independent petroleum engineers. Any material inaccuracies in our reserves estimates or underlying assumptions could materially affect the quantities and present values of our reserves. The process of estimating oil and natural gas reserves is complex. It requires interpretations of available technical data and various assumptions, including assumptions relating to economic factors. Any significant inaccuracies in these interpretations or assumptions could materially affect the estimated quantities and present value of reserves that we may report. In order to prepare these estimates, we must project production rates and timing of development expenditures. We must also analyze available geological, geophysical, production and engineering data, and the extent, quality and reliability of this data can vary. The process also requires economic assumptions relating to matters such as oil and natural gas prices, drilling and operating expenses, capital expenditures, taxes and availability of funds.

Actual future production, oil and natural gas prices, revenues, taxes, development expenditures, operating expenses and quantities of recoverable oil and natural gas reserves most likely will vary from our estimates. Any significant variance could materially affect the estimated quantities and pre-tax net present value of reserves that we may report. In addition, we may adjust estimates of proved, probable, and possible reserves to reflect production history, results of exploration and development, prevailing oil and natural gas prices and other factors, many of which are beyond our control. Moreover, there can be no assurance that our reserves will ultimately be produced or that our proved undeveloped, probable, and possible reserves will be developed within the periods anticipated. Any significant variance in the assumptions could materially affect the estimated quantity and value of our reserves.

Investors should not assume that the pre-tax net present value of our proved, probable, and possible reserves is the current market value of our estimated oil and natural gas reserves. We base the pre-tax net present value of future net cash flows from our proved, probable, and possible reserves on prices and costs on the date of the estimate. Actual future prices, costs, and the volume of produced reserves may differ materially from those used in the pre-tax net present value estimate.

Commodity price declines may result in write-downs of our asset carrying values.

We follow the successful efforts method of accounting for our oil and gas operations. Under this method, all property acquisition costs and costs of exploratory and development wells are capitalized when incurred, pending determination of whether proved reserves have been discovered. If proved reserves are not discovered with an exploratory well, the costs of drilling the well are expensed.

The capitalized costs of our oil and natural gas properties, on a depletion pool basis, cannot exceed the estimated undiscounted future net cash flows of that depletion pool. If net capitalized costs exceed undiscounted future net revenues, we generally must write down the costs of each depletion pool to the estimated fair value (discounted future net cash flows of that depletion pool). Any such charge will not affect our cash flow from operating activities or liquidity but will reduce our earnings and shareholders' equity. The recent decline in oil or natural gas prices could cause an impairment write-down of capitalized costs and a non-cash charge against future earnings. Once incurred, a write-down of oil and natural gas properties cannot be reversed at a later date, even if oil or natural gas prices increase.

We may be unable to acquire or develop additional reserves, which would reduce our cash flow and income.

In general, production from oil and natural gas properties declines over time as reserves are depleted, with the rate of decline depending on reservoir characteristics. If we are not successful in our exploration and development activities or in acquiring properties containing reserves, our reserves will generally decline as reserves are produced. Our oil and natural gas production is highly dependent upon our access to capital and our ability to economically find, develop or acquire reserves in commercial quantities.

To the extent cash flow from operations is reduced, either by a decrease in prevailing prices for oil and natural gas or an increase in finding and development costs, and external sources of capital become limited or unavailable, our ability to make the necessary capital investment to maintain or expand our asset base of oil and natural gas reserves would be impaired. Even with sufficient available capital, our future exploration and development activities may not result in additional reserves, and we might not be able to drill productive wells at acceptable costs.

Our future exploration, development and production activities may not be profitable or achieve our expected returns.

The long-term performance of our business depends upon our ability to identify, acquire and develop additional oil and natural gas reserves that are economically recoverable. Future success depends upon our ability to acquire working and revenue interests in properties upon which oil and natural gas reserves are ultimately discovered in commercial quantities, and the ability to develop prospects that contain additional proven oil and natural gas reserves to the point of production. Without successful acquisition and exploration activities, we will not be able to develop additional oil and natural gas reserves or generate additional revenues. There are no assurances that additional oil and natural gas reserves will be identified or acquired on acceptable terms or that oil and natural gas reserves will be discovered in sufficient quantities to enable us to recover our exploration and development costs or sustain our business.

The successful acquisition and development of oil and natural gas properties requires an assessment of recoverable reserves, future oil and natural gas prices and operating costs, potential environmental and other liabilities, and other factors. Such assessments are inherently uncertain. In addition, no assurance can be given that our exploration and development activities will result in the discovery of additional reserves. Operations may be curtailed, delayed or canceled as a result of lack of adequate capital and other factors, such as lack of availability of rigs and other equipment, title problems, weather, compliance with governmental regulations or price controls, mechanical difficulties, or unusual or unexpected formations, pressures and/or work interruptions. In addition, the costs of exploration and development may materially exceed our internal estimates.

Drilling for and producing oil and natural gas are high-risk activities with many uncertainties that could adversely affect our business, financial condition or results of operations.

Our long-term success depends on the success of our exploration, development and production activities in each of our prospects. These activities are subject to numerous risks beyond our control, including the risk that we will be unable to economically produce our reserves or be able to find commercially productive oil or natural gas reservoirs. Our decisions to purchase, explore, develop or otherwise exploit prospects or properties will depend in part on the evaluation of data obtained through geophysical and geological analyses, production data and engineering studies, the results of which are often inconclusive or subject to varying interpretations. The cost of drilling, completing and operating wells is often uncertain before drilling commences. Overruns in budgeted expenditures are common risks that can make a particular project unprofitable. Further, many factors may curtail, delay or prevent drilling operations, including:

- unexpected drilling conditions;
- pressure or irregularities in geological formations;
- equipment failures or accidents;

- pipeline and processing interruptions or unavailability;
- title problems;
- adverse weather conditions;
- lack of market demand for oil and natural gas;
- the occurrence or threat of epidemic or pandemic diseases, such as the recent outbreak of coronavirus (COVID-19), or any government response to such occurrence or threat that disrupts our operations;
- delays imposed by, or resulting from, compliance with environmental laws and other regulatory requirements;
- declines in oil and natural gas prices; and
- shortages or delays in the availability of drilling rigs, equipment and qualified personnel.

Our future drilling activities might not be successful, and drilling success rates overall or within a particular area could decline. We could incur losses by drilling unproductive wells. Shut-in wells, curtailed production and other production interruptions may materially adversely affect our business, financial condition and results of operations.

The development of proved undeveloped reserves is uncertain. In addition, there are no assurances that our probable and possible reserves will be converted to proved reserves.

Our reserves are estimated by independent petroleum engineers. At December 31, 2019, approximately 43.7% of our total estimated net proved reserves in Turkey were proved undeveloped reserves. Undeveloped reserves, by their nature, are significantly less certain than developed reserves. At December 31, 2019, we also had a significant amount of unproved reserves, which consist of probable and possible reserves. There is significant uncertainty attached to unproved reserves estimates. The discovery, determination and exploitation of undeveloped or unproved reserves requires significant capital expenditures and successful drilling and exploration programs. We do not currently have the funds available to develop our undeveloped reserves. We may not be able to raise the additional capital that we need to develop these reserves. There is no certainty that we will be able to convert undeveloped reserves to developed reserves or unproved reserves into proved reserves or that our undeveloped or unproved reserves will be economically viable or technically feasible to produce.

Legislative and regulatory initiatives and increased public scrutiny relating to fracture simulation activities could result in increased costs and additional operating restrictions or delays.

Fracture stimulation is an important and commonly used process for the completion of oil and natural gas wells and involves the pressurized injection of water and generally sand and/or chemicals into rock formations to contact greater surface area to stimulate production. Recently, there has been increased public concern regarding the potential environmental impact of fracture stimulation activities. Most of these concerns have raised questions regarding the drilling fluids used in the fracturing process, their effect on drinking water supplies, the use of water in connection with completion operations, and the potential for impact to surface water, groundwater and the environment generally.

The increased attention regarding fracture stimulation could lead to greater opposition, including litigation, to oil and natural gas production activities using fracture stimulation techniques. Increased public scrutiny may also lead to additional levels of regulation in the countries in which we operate that could cause operational restrictions or delays, make it more difficult to perform fracture stimulation or could increase our costs of compliance and doing business. Additional legislation or regulation, such as a requirement to disclose the chemicals used in fracture stimulation, could make it easier for third parties opposing fracture stimulation to initiate legal proceedings based on allegations that specific chemicals used in the fracturing process could adversely affect groundwater. A substantial portion of our operations rely on fracture stimulation, and the adoption of legislation in Bulgaria have placed restrictions on our fracture stimulation activities, causing us to suspend our fracture stimulation activities in Bulgaria. The adoption of legislative or regulatory initiatives in Turkey restricting fracture stimulation could impose operational delays, increased operations costs and additional related burdens on our exploration and production activities which could suspend or make it more difficult to perform fracture stimulation, cause a material decrease in the drilling of new wells and related completion activities and increase our costs of compliance and doing business, which could materially impact our business and profitability.

We are subject to operating hazards.

The oil and natural gas exploration and production business involves a variety of operating risks, including the risk of fire, explosion, blowout, pipe failure, casing collapse, stuck tools, uncontrollable flows of oil or natural gas, abnormally pressured formations and environmental hazards such as oil spills, surface cratering, natural gas leaks, pipeline ruptures, discharges of toxic gases, underground migration, surface spills, mishandling of fracture stimulation fluids, including chemical additives, and natural disasters. The occurrence of any of these events could result in substantial losses to us due to injury and loss of life, loss of or damage to well bores and/or drilling or production equipment, costs of overcoming downhole problems, severe damage to and destruction of property, natural resources and equipment, pollution and other environmental damage, clean-up responsibilities, regulatory investigation and penalties and suspension of operations. Gathering systems and processing facilities are subject to many of the same hazards and any significant problems related to those facilities could adversely affect our ability to market our production.

Our oil and natural gas operations are subject to extensive and complex laws and government regulation in the jurisdictions in which we operate and compliance with existing and future laws may increase our costs or impair our operations.

Our oil and natural gas operations are subject to numerous federal, state, local, foreign and provincial laws and regulations, including those related to the environment, employment, immigration, labor, oil and natural gas exploration and development, payments to local, foreign and provincial officials, taxes and the repatriation of foreign earnings. If we fail to adhere to any applicable federal, state, local, foreign and provincial laws or regulations, or if such laws or regulations restrict exploration or production, or negatively affect the sale, of oil and natural gas, our business, prospects, results of operations, financial condition or cash flows may be impaired. We may be subject to governmental sanctions, such as fines or penalties, as well as potential liability for personal injury, property or natural resource damage and might be required to make significant capital expenditures to comply with federal, state or international laws or regulations. In addition, existing laws or regulations, as currently interpreted or reinterpreted in the future, or future laws or regulations could adversely affect our business or operations, or substantially increase our costs and associated liabilities.

In addition, exploration for, and exploitation, production and sale of, oil and natural gas in each country in which we operate is subject to extensive national and local laws and regulations requiring various licenses, permits and approvals from various governmental agencies. If these licenses or permits are not issued or unfavorable restrictions or conditions are imposed on our exploration or drilling activities, we might not be able to conduct our operations as planned. Alternatively, failure to comply with these laws and regulations, including the requirements of any licenses or permits, might result in the suspension or termination of operations and subject us to penalties. We incur costs to comply with these numerous laws, regulations, licenses and permits.

Specifically, our oil and natural gas operations are subject to stringent laws and regulations relating to the release or disposal of materials into the environment or otherwise relating to environmental protection. Failure to comply with these laws and regulations may result in the imposition of administrative, civil and/or criminal penalties, incurring investigatory or remedial obligations and the imposition of injunctive relief.

Changes in environmental laws and regulations occur frequently, and any changes that result in more stringent or costly waste handling, storage, transport, disposal or cleanup requirements could require us to make significant expenditures to attain and maintain compliance and may otherwise have a material adverse effect on our industry in general and on our own results of operations, competitive position or financial condition. Although we intend to comply in all material respects with applicable environmental laws and regulations, we cannot assure you that we will be able to comply with existing or new regulations. In addition, the risk of accidental spills, leakages or other circumstances could expose us to extensive liability. We are unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially adversely increase our cost of doing business or affect operations in any area.

Under certain environmental laws that impose strict, joint and several liability, we may be required to remediate our contaminated properties regardless of whether such contamination resulted from the conduct of others or from consequences of our own actions that were or were not in compliance with all applicable laws at the time those actions were taken. In addition, claims for damages to persons or property may result from environmental and other impacts of our operations. Moreover, new or modified environmental, health or safety laws, regulations or enforcement policies could be more stringent and impose unforeseen liabilities or significantly increase compliance costs. Therefore, the costs to comply with environmental, health or safety laws or regulations or the liabilities incurred in connection with them could significantly and adversely affect our business, financial condition or results of operations.

In addition, many countries have agreed to regulate emissions of “greenhouse gases.” Methane, a primary component of natural gas, and carbon dioxide, a byproduct of burning of oil and natural gas, are greenhouse gases. Regulation of greenhouse gases could adversely impact some of our operations and demand for some of our services or products in the future.

We do not plan to insure against all potential operating risks. We might incur substantial losses from, and be subject to substantial liability claims for, uninsured or underinsured risks related to our oil and natural gas operations.

We do not intend to insure against all risks. Our oil and natural gas exploration and production activities are subject to numerous hazards and risks associated with drilling for, producing and transporting oil and natural gas, and storing, transporting and using explosive materials, and any of the following risks can cause substantial losses:

- environmental hazards, such as uncontrollable flows of natural gas, oil, brine, well fluids, toxic gas or other pollution into the environment, including groundwater contamination, underground migration and surface spills or mishandling of fracture stimulation fluids, including chemical additives;
- abnormally pressured formations;
- leaks of oil, natural gas and other hydrocarbons or losses of these hydrocarbons as a result of accidents during drilling and completion operations, including fracture stimulation activities, or from the gathering and transportation of oil, natural gas and other hydrocarbons, malfunctions of pipelines, processing or other facilities in our operations or at delivery points to third parties;
- spillage or mishandling of oil, natural gas, brine, well fluids, hydraulic fracturing fluids, toxic gas or other pollutants by third-party service providers;
- mechanical difficulties, such as stuck oil field drilling and service tools and casing collapse;
- fires and explosions;
- personal injuries and death;
- regulatory investigations and penalties; and
- natural disasters or other catastrophic events.

As is customary in the oil and natural gas industry, we maintain insurance against some, but not all, of our operating risks. Our insurance may not be adequate to cover potential losses or liabilities and insurance coverage may not continue to be available at commercially acceptable premium levels or at all. We might not elect to obtain insurance if we believe that the cost of available insurance is excessive relative to the risks presented. Losses and liabilities arising from uninsured or under-insured events could require us to make large unbudgeted cash expenditures that could adversely impact our business, financial condition or results of operations.

We might not be able to identify liabilities associated with properties or obtain protection from sellers against them, which could cause us to incur losses.

Our review and evaluation of prospects and future acquisitions might not necessarily reveal all existing or potential problems. For example, inspections may not always be performed on every well, and environmental problems, such as groundwater contamination, may not be readily identified even when an inspection is undertaken. Even when problems are identified, a seller may be unwilling or unable to provide effective contractual protection against all or part of those problems, and we may assume environmental and other risks and liabilities in connection with acquired properties.

We might not be able to obtain necessary permits, approvals or agreements from one or more government agencies, surface owners, or other third parties, which could hamper our exploration, development or production activities.

There are numerous permits, approvals, and agreements with third parties, which will be necessary in order to enable us to proceed with our exploration, development or production activities and otherwise accomplish our objectives. The government agencies in each country in which we operate have discretion in interpreting various laws, regulations, and policies governing operations under the licenses. Further, we may be required to enter into agreements with private surface owners to obtain access to, and agreements for, the location of surface facilities. In addition, because many of the laws governing oil and natural gas operations in the international countries in which we operate have been enacted relatively recently, there is only a relatively short history of the government agencies handling and interpreting those laws, including the various regulations and policies relating to those laws. This short history does not provide extensive precedents or the level of certainty that allows us to predict whether such agencies will act favorably toward us. The governments have broad discretion to interpret requirements for the issuance of drilling permits. Our inability to meet any such requirements could have a material adverse effect on our exploration, development or production activities.

Hedging transactions that we enter into from time to time may expose us to counterparty credit risk.
From time to time, we enter into commodity derivative contracts to hedge the price volatility of oil. These hedging transactions may expose us to risk of financial loss if a counterparty fails to perform under a derivative contract. Disruptions in the financial markets could lead to sudden decreases in a counterparty's liquidity, which could make them unable to perform under the terms of the derivative contract, and we may not be able to realize the benefit of the derivative contract. As of March 15, 2020, we were not a party to any commodity derivative contracts that hedge our oil price risk.

Competition in the oil and natural gas industry is intense, and many of our competitors have greater financial, technological and other resources than we do, which may adversely affect our ability to compete.

We operate in the highly competitive areas of oil and natural gas exploration, development, production and acquisition with a number of other companies, including U.S.-based and foreign companies doing business in each of the countries in which we operate. We face intense competition from independent, technology-driven companies as well as from both major and other independent oil and natural gas companies in seeking oil and natural gas exploration licenses and production licenses and acquiring desirable producing properties or new leases for future exploration.

Many of our competitors have substantially greater financial, managerial, technological and other resources than we do. These companies are able to pay more for exploratory prospects and productive oil and natural gas properties than we can. To the extent competitors are able to pay more for properties than we are paying, we will be at a competitive disadvantage. Further, many of our competitors enjoy technological advantages over us and may be able to implement new technologies more rapidly than we can. Our ability to explore for and produce oil and natural gas prospects and to acquire additional properties in the future will depend upon our ability to successfully conduct operations, implement advanced technologies, evaluate and select suitable properties and consummate transactions in this highly competitive environment.

Risks Related to Our Common Shares

The interests of our controlling shareholder may not coincide with yours and such controlling shareholder may make decisions with which you may disagree.

As of March 20, 2020, Mr. Mitchell beneficially owned approximately 49.9% of our outstanding common shares. Persons and entities associated with Mr. Mitchell also own Series A Preferred Shares. Dalea Partners, LP, an affiliate of Mr. Mitchell, owns 42,000 Series A Preferred Shares; trusts benefitting three of Mr. Mitchell's children each own 41,000 Series A Preferred Shares; one of Mr. Mitchell's children owns 41,000 Series A Preferred Shares, and Longfellow owns 533,000 Series A Preferred Shares. Mr. Mitchell's affiliates are currently prohibited from converting any of their Series A Preferred Shares to common shares if such conversion would cause Mr. Mitchell or his affiliates to obtain beneficial ownership in excess of 49.9% of the outstanding common shares; however, Mr. Mitchell, upon 61 days' prior notice, may increase or decrease such percentage cap. As a result, Mr. Mitchell could control substantially all matters requiring shareholder approval, including the election of directors and approval of significant corporate transactions. In addition, this concentration of ownership may delay or prevent a change in control of the Company and make some future transactions more difficult or impossible without the support of Mr. Mitchell. The interests of Mr. Mitchell may not coincide with your interests or the interests of our other shareholders.

We may seek to raise additional funds or restructure or increase our debt by issuing securities that would dilute your ownership. Depending on the terms available to us, if these activities result in significant dilution, it may negatively impact the trading price of our common shares.

We may seek to raise additional funds or restructure or increase our debt by issuing common shares, preferred shares, or securities convertible into or exercisable for common shares, that would dilute your ownership. Depending on the terms available to us, if these activities result in significant dilution, it may negatively impact the trading price of our common shares. Further, any additional financing that we secure may require the granting of rights, preferences or privileges senior to, or pari passu with, those of our common shares. Any issuances by us of equity securities may be at or below the prevailing market price of our common shares and in any event may have a dilutive impact on your ownership interest, which could cause the market price of our common shares to decline. We may also raise additional funds through the incurrence of convertible debt or the issuance or sale of other securities or instruments senior to our common shares. If we experience dilution from the issuance of additional securities and we grant superior rights to new securities over common shareholders, it may negatively impact the trading price of our common shares and you may lose all or part of your investment.

The value of our common shares may be affected by matters not related to our own operating performance.

The value of our common shares may be affected by matters that are not related to our operating performance and which are outside of our control. These matters include the following:

- general economic conditions in the United States, Turkey, Bulgaria and globally;
- industry conditions, including fluctuations in the price of oil and natural gas;
- the ability of the members of OPEC and other exporting countries to agree to and maintain crude oil prices and production controls;
- the oil price war between Russia and Saudi Arabia;
- governmental regulation of the oil and natural gas industry, including environmental regulation and regulation of fracture stimulation activities;
- fluctuation in foreign exchange or interest rates;
- liabilities inherent in oil and natural gas operations;
- geological, technical, drilling and processing problems;
- unanticipated operating events which can reduce production or cause production to be shut in or delayed;
- the occurrence or threat of epidemic or pandemic diseases, such as the recent outbreak of coronavirus, or any government response to such occurrence or threat;
- failure to obtain industry partner and other third-party consents and approvals, when required;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisition of reserves, undeveloped land and skilled personnel;
- the need to obtain required approvals from regulatory authorities;
- worldwide supplies and prices of, and demand for, oil and natural gas;
- political conditions and developments in each of the countries in which we operate;
- political conditions in oil and natural gas producing regions;
- revenue and operating results failing to meet expectations in any particular period;
- investor perception of the oil and natural gas industry;
- limited trading volume of our common shares;
- announcements relating to our business or the business of our competitors;
- the sale of assets;
- the issuance of common shares, debt or other securities;
- our liquidity;
- our ability to raise additional funds or restructure our debt; and
- loss of key management.

In the past, companies that have experienced volatility in the trading price of their common shares have been the subject of securities class action litigation. We might become involved in securities class action litigation in the future. Such litigation often results in substantial costs and diversion of management’s attention and resources and could have a material adverse effect on our business, financial condition and results of operation.

U.S. shareholders who hold common shares during a period when we are classified as a passive foreign investment company may be subject to certain adverse U.S. federal income tax consequences.

Management believes that we are not currently a passive foreign investment company. However, we may have been a passive foreign investment company during one or more of our prior taxable years and could become a passive foreign investment company in the future. In general, classification of our company as a passive foreign investment company during a period when a U.S. shareholder holds common shares could result in certain adverse U.S. federal income tax consequences to such shareholder.

Certain U.S. shareholders who hold common shares during a period when we are classified as a controlled foreign corporation may be subject to certain adverse U.S. federal income tax rules.

Management believes that we currently are a controlled foreign corporation for U.S. federal income tax purposes and that we will continue to be so treated. Consequently, a U.S. shareholder that owns 10% or more of the total combined voting power of all classes of our shares entitled to vote on the last day of our taxable year may be subject to certain adverse U.S. federal income tax rules with respect to the shareholder’s investment in us.