

Oasis Petroleum Inc.  
Form FWP  
June 27, 2012

**Issuer Free Writing Prospectus**

**Filed by: Oasis Petroleum Inc.**

**Pursuant to Rule 433 under the Securities Act of 1933**

**Registration Statement on Form S-3: No. 333-175603**

**OASIS PETROLEUM INC.**

Pricing Term Sheet

|   |   |
|---|---|
| <b>Issuer:</b>                                      | Oasis Petroleum Inc.  |
| <b>Security Description:</b>                        | Senior Notes  |
| <b>Distribution:</b>                                | SEC Registered  |
| <b>Size:</b>  | \$400,000,000   |
| <b>Maturity:</b>                                    | January 15, 2023  |
| <b>Gross Proceeds:</b>                              | \$400,000,000   |
| <b>Net Proceeds (before expenses):</b>              | \$393,400,000   |
| <b>Coupon:</b>                                      | 6.875%  |
| <b>Price:</b>                                       | 100.000% of face amount   |
| <b>Yield to Maturity:</b>                           | 6.875%  |
| <b>Spread to Benchmark Treasury:</b>                | + 526 bps   |
| <b>Benchmark Treasury:</b>                          | UST 1.750% due May 15, 2022   |
| <b>Interest Payment Dates:</b>                      | January 15 and July 15, beginning January 15, 2013  |
| <b>Change of Control put:</b>                       | Putable at 101% of principal, plus accrued and unpaid interest to the date of purchase.   |
| <b>Redemption Provisions:</b>                       |   |
| <b>First call date:</b>                             | July 15, 2017   |
| <b>Make-whole call:</b>                             | Before the first call date at a discount rate of Treasury plus 50 basis points  |
| <b>Redemption prices:</b>                           | Commencing July 15, 2017: 103.438%<br><br>Commencing July 15, 2018: 102.292%<br><br>Commencing July 15, 2019: 101.146%<br><br>Commencing July 15, 2020 and thereafter: 100.000% |
| <b>Redemption with proceeds of equity offering:</b> | Prior to July 15, 2015 up to 35% may be redeemed at 106.875%  |
| <b>Change of Control call:</b>                      | On or prior to July 15, 2013, call at 110.000% of principal plus accrued interest   |

**CUSIP/ISIN Numbers:** 674215AE8 / US674215AE80

**Ratings\*:** B3/B

**Denominations/Multiple:** \$2,000 x 1,000

**Trade Date:** June 27, 2012

**Settlement Date:** (T+3) on July 2, 2012

**Underwriters of Senior Notes:** Joint Book-Running Managers:

J.P. Morgan Securities LLC

Citigroup Global Markets Inc.

Wells Fargo Securities, LLC

RBC Capital Markets, LLC

UBS Securities LLC

RBS Securities Inc.

Tudor, Pickering, Holt & Co. Securities, Inc.

Co-Managers:

Johnson Rice & Company L.L.C.

Simmons & Company International

U.S. Bancorp Investments, Inc.

\* Note: A securities rating is not a recommendation to buy, sell or hold securities and is subject to revision or withdrawal at any time.

**The issuer has filed a registration statement (including a prospectus and preliminary prospectus supplement) with the Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the preliminary prospectus supplement for this offering, the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus and prospectus supplement if you request it by contacting J.P. Morgan Securities LLC at (800) 245-8812; Citigroup Global Markets Inc. at (800) 831-9146; Wells Fargo Securities, LLC at (800) 326-5897; RBC Capital Markets, LLC at (877) 280-1299; UBS Securities LLC at (888) 827-7275; RBS Securities Inc. at (866) 884-2071; Tudor, Pickering, Holt & Co. Securities, Inc. at (713) 333-7100.**

#### **Additional Information**

##### **Offering Size**

Oasis Petroleum Inc. has increased the offering of the 6.875% senior notes due 2023 from \$300.0 million aggregate principal amount to \$400.0 million aggregate principal amount. Corresponding changes will be made wherever applicable to the Preliminary Prospectus Supplement, including as discussed below.

**Summary Our business strategy**

The following disclosure under Summary Our business strategy Maintain financial flexibility and conservative financial position on page S-3 of the Preliminary Prospectus Supplement and each other location where such disclosure appears in the Preliminary Prospectus Supplement is amended to read as follows:

As of June 25, 2012, after giving effect to this offering, we would have had \$1.2 billion of liquidity available, including \$679.2 million in cash and short-term investments and \$500 million available under our revolving credit facility, subject to periodic borrowing base redeterminations.

**Use of Proceeds**

The following disclosure under Use of proceeds on page S-41 of the Preliminary Prospectus Supplement and each other location where such disclosure may appear in the Preliminary Prospectus Supplement is amended to read as follows:

We estimate that the net proceeds from this offering will be approximately \$392.4 million after deducting the underwriters discount and our estimated offering expenses.

**Capitalization**

The following numbers (as of March 31, 2012) in the As adjusted for this offering column of the table under Capitalization on page S-42 of the Preliminary Prospectus Supplement and each other location where such disclosure may appear in the Preliminary Prospectus Supplement are amended to read as follows:

|  | As adjusted for<br>this offering<br>(Dollars in thousands,<br>except share amounts) |
|--|---|
| Cash and cash equivalents and short-term investments(1)  | \$ 679,698  |
| Long-term debt:  |   |
| Revolving credit facility(2)   |   |
| 7.250% Senior Notes due 2019   | 400,000   |
| 6.500% Senior Notes due 2021   | 400,000   |
| 6.875% Senior Notes due 2023   | 400,000   |
| Total long-term debt   | 1,200,000   |
| Stockholders' equity:  |   |
| Common stock, \$0.01 par value; 300,000,000 shares authorized; 93,136,773 issued and<br>93,074,949 outstanding | 922   |
| Treasury stock, at cost; 61,824 shares   | (1,783)   |
| Additional paid-in-capital   | 648,964   |
| Retained earnings  | 2,986   |
| Total stockholders' equity   | 651,089   |
| Total capitalization   | \$ 1,851,089  |

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- (1) As of June 25, 2012, we had total cash, cash equivalents and short-term investments of \$286.8 million.
  
- (2) On April 3, 2012, we entered into an amendment to our revolving credit facility in order to, among other things, increase our borrowing base from \$350 million to \$500 million. As of June 25, 2012, we had no borrowings outstanding under the revolving credit facility and no outstanding letters of credit issued under the revolving credit facility. Please read [Description of other indebtedness](#).