

8-K - 2021-12-27

Form: 8-K

Filing date: 2021-12-27

Accession: 0001477932-21-009484

8-K

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 24, 2021

Camber Energy, Inc.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction
of incorporation)

001-32508

(Commission
File Number)

20-2660243

(I.R.S. Employer
Identification No.)

15915 Katy Freeway, Suite 450, Houston, Texas, 77094

(Address of principal executive offices)

(281) 404-4387

(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ? Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ? Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ? Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ? Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 Par Value Per Share	CEI	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). ?

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ?

Item 1.01. Entry into a Material Definitive Agreement.

As previously disclosed in the Quarterly Report on Form 10-Q of Camber Energy, Inc. (“Camber” or the “Company”) filed on December 18, 2020, on December 11, 2020, Camber executed and delivered to an institutional investor (the “Investor”) a promissory note in the principal amount of \$6,000,000 (the “First Investor Note”), accruing interest at the rate of 10% per annum and maturing December 11, 2022 (the “Maturity Date”); as disclosed in the Current Report on Form 8-K of Camber filed on December 23, 2020, on December 23, 2020, Camber executed and delivered to the Investor a promissory note in the principal amount of \$12,000,000 (the “Second Investor Note”), accruing interest at the rate of 10% per annum and maturing on the Maturity Date; and as disclosed in the Current Report on Form 8-K of Camber filed on April 27, 2021, on April 23, 2021, Camber executed and delivered to the Investor a promissory note in the principal amount of \$2,500,000 (the “Third Investor Note”, and together with the First Investor Note and the Second Investor Note, the “Notes”), accruing interest at the rate of 10% per annum and maturing on the Maturity Date, and containing a provision entitling the Investor to convert amounts owing under the Third Investor Note into shares of common stock of Camber at a fixed price of \$1.00 per share, subject to beneficial ownership limitations. As previously disclosed in the Current Report on Form 8-K of Camber filed on July 12, 2021, the Notes were amended on July 9, 2021.

Effective December 24 2021, Camber and the Investor executed amendments to each of the Notes (collectively, the “Amendments”), pursuant to which:

- (i) the Maturity Date of each of the Notes was extended from January 1, 2024 to January 1, 2027;
- (ii) the conversion price was increased from \$1.25 to \$1.50 per share of common stock; and
- (iii) the interest rate was decreased from 10% per annum to the WSJ Prime Rate.

The effectiveness of the Amendments is conditional upon the Company obtaining on or before December 31, 2021 approval of the increase in its authorized common stock as outlined in the proxy statement filed by the Company with the Securities and Exchange Commission on November 29, 2021.

The foregoing descriptions of the Amendments do not purport to be complete and are qualified in their entirety by reference to the forms of the amendments, copies of which are filed as Exhibits 10.1, 10.2, and 10.3 to this Current Report on Form 8-K and incorporated into this Item 1.01 by reference in their entirety.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Amendment to Secured Promissory Note by and between Camber Energy, Inc. and the Investor Named Therein, dated December 24, 2021
10.2	Amendment to Secured Promissory Note by and between Camber Energy, Inc. and the Investor Named Therein, dated December 24, 2021
10.3	Amendment to Secured Promissory Note by and between Camber Energy, Inc. and the Investor Named Therein, dated December 24, 2021
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CAMBER ENERGY, INC.

Date: December 27, 2021

By: /s/ James A. Doris

Name: James A. Doris

Title: Chief Executive Officer

SECOND AMENDMENT TO 10% SECURED PROMISSORY NOTE

THIS **SECOND AMENDMENT TO 10% SECURED PROMISSORY NOTE** (this “**Amendment**”) entered into on December 24, 2021 (the “**Amendment Date**”) is among Camber Energy, Inc, a Nevada corporation (the “**Maker**”) and the payee set forth on the signature page hereto (the “**Payee**”).

RECITALS

A. On or about April 23, 2021, the Maker executed and delivered a Promissory Note in favor of the Payee in the Principal Amount of \$2,500,000, as amended by a First Amendment to Secured Promissory Note dated on or about July 9, 2021 (collectively, the “**Note**”).

B. The Maker and the Payee want to amend the Note, as set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Condition Precedent. Shareholder approval and the filing of an amendment to the Company’s Articles of Incorporation to increase the number of authorized shares of common stock from 250,000,000 to 1,000,000,000 is and express condition precedent to the effectiveness of this Amendment.

2. Amendments to the Note. The Note shall be deemed to be amended effective, as of the date of filing of the amendment referred to in the preceding paragraph, so as:

- (a) To extend the Maturity Date from January 1, 2024 to January 1, 2027;
- (b) To increase the conversion price to \$1.50 per share of common stock; and
- (c) To decrease the Interest Rate to the WSJ Prime Rate on the Amendment Date.

3. Acknowledgement. Maker hereby acknowledges and agrees that Investor has at all times fully and completely complied with all of its obligations under the Note and all other agreements between Maker and Payee.

4. Ratification. Except as expressly provided herein, the Note and contemporaneous agreements, which are incorporated by reference as though set forth in full herein, are hereby ratified and affirmed in all respects, and remain in full force and effect. Except as expressly provided herein, the execution of this Amendment shall not operate as a waiver of any right, power or remedy of the Payee, constitute a waiver of any provision of any of the Note or any other agreements, or serve to effect a novation of the obligations thereunder. Except as expressly provided herein, the Note and all agreements between Maker and Payee shall continue in full force and effect and nothing herein shall act as a waiver of any of the Payee’s rights under any of the foregoing.

5. General Release. Maker, on behalf of itself and on behalf of each of its predecessors, successors, parents, subsidiaries, shareholders, and affiliated and/or related companies, and each of its respective present and former officers, directors, shareholders, employees, representatives, business entities, executors, administrators, conservators, assignors and assignees (collectively, the “Releasing Parties”) hereby knowingly and voluntarily fully and forever absolutely and irrevocably waive, release and discharge Payee and its predecessors, successors, parents, subsidiaries, and affiliated and/or related companies and entities, and each of their respective present and former officers, directors, shareholders, partners, members, employees, representatives, agents, attorneys, advisors, business entities, executors, administrators, conservators, assignors and assignees and all parties acting through, under or in concert with them, and each of them, in their individual and representative capacities (collectively, the “Released Parties”) from any and all claims, charges, complaints, grievances, demands, liens, actions, suits, causes of action, obligations, controversies, debts, costs,

indemnity, attorneys' fees, expenses, damages, judgments, orders, and liabilities of whatever kind and/or nature in law, equity or otherwise, whether now known or unknown, suspected or unsuspected, which have existed or may have existed, or which do exist or which hereafter can, shall or may exist as of the date this Agreement is executed, including without limitation any that are based upon, connected with, or otherwise arising out of or in any way relating to the Note or any agreements or transaction documents between Maker and Payee, the resale of Conversion Shares, any requirement that any of the Released Parties was or is required to register as a dealer under federal securities laws, and all matters related thereto (collectively, the "Released Claims"). The Releasing Parties, and each of them, expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits conferred by any law which would limit the scope of the release provided above. The Releasing Parties acknowledge that they or any of them may hereafter discover facts in addition to or different from those which they now know to be true with respect to the subject matters of the claims released herein, but hereby stipulate and agree that they have fully, finally, and forever settled and released any and all such claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, which now exist or heretofore existed upon any theory of law or equity now existing or coming into existence in the future, without regard to the discovery or existence of such different or additional facts.

6. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of this Amendment by facsimile or electronic transmission in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart hereof.

7. Severability. In case any provision in or obligation under this Amendment shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

MAKER:

CAMBER ENERGY, INC.

By: /s/ James A. Doris

Name: James A. Doris

Title: Chief Executive Officer

PAYEE:

DISCOVER GROWTH FUND, LLC

By: /s/ Sheniqua T. Rouse-Pierre

Name: Sheniqua T. Rouse-Pierre

Title: Treasurer of G.P. of Member

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THIRD AMENDMENT TO 10% SECURED PROMISSORY NOTE

THIS **THIRD AMENDMENT TO 10% SECURED PROMISSORY NOTE** (this "**Amendment**") entered into on December 24, 2021 (the "**Amendment Date**") is among Camber Energy, Inc, a Nevada corporation (the "**Maker**") and the payee set forth on the signature page hereto (the "**Payee**").

RECITALS

A. On or about December 11, 2020, the Maker executed and delivered a Promissory Note in favor of the Payee in the Principal Amount of \$6,000,000, as amended by a First Amendment to 10% Secured Promissory Note dated on or about December 22, 2020, and as amended by a Second Amendment to 10% Secured Promissory Note dated on or about July 9, 2021 (collectively, the "**Note**").

B. The Maker and the Payee want to amend the Note, as set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Condition Precedent. Shareholder approval and the filing of an amendment to the Company's Articles of Incorporation to increase the number of authorized shares of common stock from 250,000,000 to 1,000,000,000 is and express condition precedent to the effectiveness of this Amendment.

2. Amendments to the Note. The Note shall be deemed to be amended effective, as of the date of filing of the amendment referred to in the preceding paragraph, so as:

- (a) To extend the Maturity Date from January 1, 2024 to January 1, 2027;
- (b) To increase the conversion price to \$1.50 per share of common stock; and
- (c) To decrease the Interest Rate to the WSJ Prime Rate on the Amendment Date.

3. Acknowledgement. Maker hereby acknowledges and agrees that Investor has at all times fully and completely complied with all of its obligations under the Note and all other agreements between Maker and Payee.

4. Ratification. Except as expressly provided herein, the Note and contemporaneous agreements, which are incorporated by reference as though set forth in full herein, are hereby ratified and affirmed in all respects, and remain in full force and effect. Except as expressly provided herein, the execution of this Amendment shall not operate as a waiver of any right, power or remedy of the Payee, constitute a waiver of any provision of any of the Note or any other agreements, or serve to effect a novation of the obligations thereunder. Except as expressly provided herein, the Note and all agreements between Maker and Payee shall continue in full force and effect and nothing herein shall act as a waiver of any of the Payee's rights under any of the foregoing.

5. General Release. Maker, on behalf of itself and on behalf of each of its predecessors, successors, parents, subsidiaries, shareholders, and affiliated and/or related companies, and each of its respective present and former officers, directors, shareholders, employees, representatives, business entities, executors, administrators, conservators, assignors and assignees (collectively, the "Releasing Parties") hereby knowingly and voluntarily fully and forever absolutely and irrevocably waive, release and discharge Payee and its predecessors, successors, parents, subsidiaries, and affiliated and/or related companies and entities, and each of their respective present and former officers, directors, shareholders, partners, members, employees, representatives, agents, attorneys, advisors, business entities, executors, administrators, conservators, assignors and assignees and all parties acting through, under or in concert with them, and each of them, in their individual and representative capacities (collectively, the "Released Parties") from any and all claims, charges, complaints, grievances, demands, liens, actions, suits, causes of action, obligations, controversies, debts, costs,

indemnity, attorneys' fees, expenses, damages, judgments, orders, and liabilities of whatever kind and/or nature in law, equity or otherwise, whether now known or unknown, suspected or unsuspected, which have existed or may have existed, or which do exist or which hereafter can, shall or may exist as of the date this Agreement is executed, including without limitation any that are based upon, connected with, or otherwise arising out of or in any way relating to the Note or any agreements or transaction documents between Maker and Payee, the resale of Conversion Shares, any requirement that any of the Released Parties was or is required to register as a dealer under federal securities laws, and all matters related thereto (collectively, the "Released Claims"). The Releasing Parties, and each of them, expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits conferred by any law which would limit the scope of the release provided above. The Releasing Parties acknowledge that they or any of them may hereafter discover facts in addition to or different from those which they now know to be true with respect to the subject matters of the claims released herein, but hereby stipulate and agree that they have fully, finally, and forever settled and released any and all such claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, which now exist or heretofore existed upon any theory of law or equity now existing or coming into existence in the future, without regard to the discovery or existence of such different or additional facts.

6. Counterparts. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of this Amendment by facsimile or electronic transmission in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart hereof.

7. Severability. In case any provision in or obligation under this Amendment shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

MAKER:

CAMBER ENERGY, INC.

By: /s/ James A. Doris

Name: James A. Doris

Title: Chief Executive Officer

PAYEE:

DISCOVER GROWTH FUND, LLC

By: /s/ Sheniqua T. Rouse-Pierre

Name: Sheniqua T. Rouse-Pierre

Title: Treasurer of G.P. of Member

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5. General Release. Maker, on behalf of itself and on behalf of each of its predecessors, successors, parents, subsidiaries, shareholders, and affiliated and/or related companies, and each of its respective present and former officers, directors, shareholders, employees, representatives, business entities, executors, administrators, conservators, assignors and assignees (collectively, the “Releasing Parties”) hereby knowingly and voluntarily fully and forever absolutely and irrevocably waive, release and discharge Payee and its predecessors, successors, parents, subsidiaries, and affiliated and/or related companies and entities, and each of their respective present and former officers, directors, shareholders, partners, members, employees, representatives, agents, attorneys, advisors, business entities, executors, administrators, conservators, assignors and assignees and all parties acting through, under or in concert with them, and each of them, in their individual and representative capacities (collectively, the “Released Parties”) from any and all claims, charges, complaints, grievances, demands, liens, actions, suits, causes of action, obligations, controversies, debts, costs,

indemnity, attorneys' fees, expenses, damages, judgments, orders, and liabilities of whatever kind and/or nature in law, equity or otherwise, whether now known or unknown, suspected or unsuspected, which have existed or may have existed, or which do exist or which hereafter can, shall or may exist as of the date this Agreement is executed, including without limitation any that are based upon, connected with, or otherwise arising out of or in any way relating to the Note or any agreements or transaction documents between Maker and Payee, the resale of Conversion Shares, any requirement that any of the Released Parties was or is required to register as a dealer under federal securities laws, and all matters related thereto (collectively, the "Released Claims"). The Releasing Parties, and each of them, expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits conferred by any law which would limit the scope of the release provided above. The Releasing Parties acknowledge that they or any of them may hereafter discover facts in addition to or different from those which they now know to be true with respect to the subject matters of the claims released herein, but hereby stipulate and agree that they have fully, finally, and forever settled and released any and all such claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, concealed or hidden, which now exist or heretofore existed upon any theory of law or equity now existing or coming into existence in the future, without regard to the discovery or existence of such different or additional facts.

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2

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first written above.

MAKER:

CAMBER ENERGY, INC.

By: /s/ James A. Doris

Name: James A. Doris

Title: Chief Executive Officer

PAYEE:

DISCOVER GROWTH FUND, LLC

By: /s/ Sheniqua T. Rouse-Pierre

Name: Sheniqua T. Rouse-Pierre

Title: Treasurer of G.P. of Member

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