



2020 MVP

Lucas Spivey

Finance work by Lucas Spivey of Kirkland & Ellis LLP helped McDermott International Ltd. and other oil and gas firms climb out of financial trouble even as the COVID-19 pandemic heaped additional stress on the industry, earning him a spot among Law360's 2020 Energy MVPs.

His biggest accomplishment this year:

When McDermott filed a prepackaged Chapter 11 reorganization plan in Texas bankruptcy court in January, it was on the back of a quartet of deals Spivey had helped the oilfield construction firm sew up dating back to the previous fall. That included a new credit agreement, the sale of one of its business units, a debtor-in-possession financing agreement at the start of McDermott's bankruptcy case, and an exit financing package

upon its emergence from Chapter 11 this summer.

The global nature of McDermott's operations also meant Spivey and his finance team had to do a lot of work in jurisdictions outside the U.S.

"That was one of those deals where, after the deal finished, I think everybody involved agreed that it was probably the hardest and most complex thing they've worked on in their careers, just given how many different transactions were wrapped into that restructuring," Spivey said. "It was a wild nine months."

Other notable deals he's worked on recently:

The McDermott deal highlighted a flurry of both in-court and out-of-court restructuring work Spivey did for oil and gas firms over the past year. In July alone, he helped guide a restructuring support agreement on behalf of creditors of bankrupt driller Lilis Energy Inc. and an out-of-court recapitalization of gas firm SCM Topco LLC that included a restructuring of \$1 billion in secured debt.

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“It’s always hard to get those out-of-court restructurings done because you’ve got to convince everyone to hold hands and come together,” Spivey said. “You need 100% consent on almost all of these situations.”

On dealmaking during a pandemic:

The oil and gas industry’s existing economic struggles prior to COVID-19 were already keeping Spivey busy, but he said the past few months have been the most challenging of his career, as the pandemic has cratered energy demand and made more companies’ finances increasingly dire.

“We go into the pandemic already in a situation where we’re fighting for survival, and all of a sudden everybody is in makeshift offices in guest bedrooms,” Spivey said. “I’ve probably been on a four- to five-month run where days start at 8 a.m. and they usually end in the middle of the night. It’s just back-to-back calls, and every client has been impacted in some way.”

Why he chose to focus on energy finance:

Spivey had a more general corporate finance practice at the start of his career, but he said he began to gravitate toward energy deals following his arrival at Kirkland and his move from New York to Texas. That seems like specialization on the surface, but Spivey said he appreciated the diversity of energy

finance dealmaking once he really delved into the work.

“On a daily basis, I’m switching between upstream, traditional oil and gas transactions, midstream infrastructure transactions, energy service transactions, renewables transactions and chemicals transactions,” Spivey explained. “It’s just a very diverse set of practices all wrapped up into one, with lots of different asset bases and clientele. That’s something you don’t necessarily get even when you practice in a more generalist practice.”

What motivates him:

It isn’t enough for Spivey to successfully close a financing deal — he said he wants to close it in a way that demonstrates to his client that he just added a lot of value to their overall business. That means digging into clients’ operations and ensuring transactions meet all of their objectives, even when the broader economic picture isn’t rosy, according to Spivey.

“A lot of that is because lawyers and law firms can often be thought of as commodities that can be easily

replaced and exchanged, and therefore you just judge them by price or friendliness,” Spivey said. “Putting your clients in a situation where they don’t have to worry about those technical issues when there are disruptions in the overall market [is] a big part of the business and a big part of the value add.”

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