

Press Release #02-00

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For Immediate Release

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## **Forcenergy Inc Emerges from Chapter 11**

### **Plan of Reorganization Becomes Effective Completes \$320 Million Exit Financing Arrangements Appoints New Board of Directors**

MIAMI, FL, (Business Wire) February 15, 2000...Forcenergy Inc (FENYQ.OB) today announced that it has completed, along with other requirements, its exit financing arrangements and that its Plan of Reorganization has become effective. This is the final step in the Company's emergence from Chapter 11.

The exit financing consists of \$320 million in senior secured bank loans comprised of a new \$250 million senior secured revolving credit facility with an initial borrowing base of \$250 million and a new \$70 million senior secured term loan. The Company's existing bank group led by ING (U.S.) Capital LLC is providing both of these new credit facilities. These facilities replace the \$320 million senior secured revolving credit facility in place prior to the Chapter 11 filing in March 1999.

The Company will, as a part of its Plan of Reorganization, initiate a rights offering for \$40 million in preferred stock. The rights offering will be available to all members of the general unsecured class. To the extent that any of the \$40 million offering is undersubscribed, a group of four previous holders of the Company's senior subordinated notes have agreed to purchase any unsubscribed portion. The proceeds from the rights offering will be used to reduce outstandings under the \$250 million senior secured revolving credit facility.

Distributions of the new common stock and warrants to unsecured creditors and previous shareholders, as outlined in the Plan of Reorganization, are expected to be made in four to six weeks. As previously announced, the holders of general unsecured claims will receive a pro-rata distribution of 23,040,000 new Forcenergy common shares while the holders of Forcenergy's existing common stock will receive a pro-rata distribution of the following:

- 960,000 new Forcenergy common shares;
- 240,000 four-year warrants to acquire new Forcenergy shares at a price of \$16.67;  
and
- 240,000 five-year warrants to acquire new Forcenergy shares at a price of \$20.83.

The Company expects its new stock to trade on the NASDAQ National Market under the symbol "FORC" following the acceptance of an application for listing. Until the application for listing is approved, the Company anticipates that the new common stock will trade on the OTC Bulletin Board.

The Company's current management will lead the reorganized company and the current four-member Board of Directors will be expanded to nine members. New members of the Board of Directors are:

- Michael F. Bennet and Clifford B. Hickey - Anschutz Investment Company;
- Stephen A. Kaplan and B. James Ford - Oaktree Capital Management LLC; and
- Gregory P. Pipken - Lehman Brothers, Inc.

"The Company has, through its reorganization, obtained a strong balance sheet with a capital structure that allows us to rebuild and expand the Company while also having the financial capability to withstand temporary downturns in the price of oil and gas like those seen in 1998 and the first quarter of 1999. We have an active drilling program budgeted in the Gulf of Mexico and are continuing the development of the Redoubt Shoal project in the Cook Inlet. The Redoubt Shoal platform will be delivered from Korea in the second quarter of this year and initial drilling is expected to commence in the fourth quarter," commented Stig Wennerstrom, Chairman of Forcenergy Inc.

Forcenergy Inc is an independent oil and gas company engaged in the exploration, acquisition, development, exploitation and production of crude oil and natural gas. Forcenergy's primary areas of operations are the Gulf of Mexico and Cook Inlet, Alaska. Forcenergy currently produces approximately 20,500 barrels of oil per day and 135 million cubic feet of natural gas per day.

This announcement contains "forward-looking" statements regarding future expectations and plans for future activities. Forcenergy Inc is subject to risks and other uncertainties that could cause such statements to prove incorrect. For a discussion of those risks and uncertainties, please refer to the Company's 1998 Annual Report on Form 10-K as filed with the United States Securities and Exchange Commission.