Oasis Petroleum Inc.
Form 424B2
October 27, 2011

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The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are part of an effective registration statement filed with the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell nor do they seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-175603

Subject to completion, dated October 27, 2011

Preliminary prospectus supplement
(To prospectus dated July 15, 2011)

Oasis Petroleum Inc.

$300,000,000
% Senior Notes due 2021

The notes will mature on , 2021. Interest will accrue on the notes from , 2011, and the first interest payment date will be , 2012. We intend to use the net proceeds from this offering to fund our exploration, development and acquisition program and for general corporate purposes.

We may redeem some or all of the notes at any time on or after , 2016 at the redemption prices set forth in this prospectus supplement. We may also redeem up to 35% of the aggregate principal amount of the notes prior to , 2014 at the redemption price set forth herein with cash proceeds we receive from certain equity offerings. In addition, we may redeem the notes, in whole or in part, at any time before , 2016 at a redemption price plus an applicable make-whole premium set forth in this prospectus supplement. If we undergo a change of control prior to , 2013, we may redeem all, but not less than all, of the notes at a redemption price equal to 110% of the principal amount of the notes redeemed plus accrued and unpaid interest. We must offer to purchase the notes if we experience specific kinds of changes of control or sell assets under certain circumstances.

The notes will be our senior unsecured obligations and will rank senior in right of payment to any of our future indebtedness that is expressly subordinated to the notes. The notes will rank equally in right of payment with all our existing and future senior indebtedness, including our revolving credit facility and our outstanding series of senior notes, and will rank effectively junior in right of payment to all of our secured indebtedness (to the extent of the value of the collateral securing such indebtedness), including borrowings we guarantee under our revolving credit facility which are secured by substantially all of our consolidated assets. In addition, the notes will rank effectively junior in right of payment to any of the indebtedness and liabilities of any of our subsidiaries that do not guarantee the notes.

The notes initially will be guaranteed on a senior basis by all our existing material subsidiaries and certain future material restricted subsidiaries. The guarantees will be senior unsecured obligations of the guarantors and will rank senior in right of payment to any of their future indebtedness that is expressly subordinated to the guarantees. The guarantees will rank equally in right of payment with all existing and future senior indebtedness of the guarantors, including our borrowings and guarantees under our revolving credit facility and their guarantees of our outstanding series of senior notes, and will rank effectively junior in right of payment to all of the guarantors secured indebtedness (to the extent of the value of the collateral securing such indebtedness), including the guarantors borrowings and guarantees under our revolving credit facility.

Investing in the notes involves risk. See Risk Factors beginning on page S-19 of this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Price to public(1)	Underwriting discounts and commissions	Proceeds, before expenses, to Oasis Petroleum Inc.(1)
Per note	%	%	%
Total	$	$	$

(1) Plus accrued interest, if any, from , 2011.

The notes will not be listed on a securities exchange. Currently, there is no public market for the notes.

We expect that delivery of the notes will be made on or about , 2011 in book-entry form through The Depository Trust Company for the account of its participants, including Clearstream Banking *société anonyme* and Euroclear Bank S.A./N.V.

Joint Book-Running Managers

J.P. Morgan **Wells Fargo Securities** **BNP PARIBAS**

Co-Managers

Johnson Rice & Company L.L.C. **RBS** **Simmons & Company International**
Tudor, Pickering, Holt & Co. **UBS Investment Bank** **US Bancorp**

October , 2011

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Prospectus Supplement

Prospectus

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About this prospectus supplement

This document is in two parts. The first part is the prospectus supplement and the documents incorporated by reference herein, which describes the specific terms of this offering of the notes. The second part is the accompanying prospectus, which gives more general information, some of which may not apply to the notes or this offering. If the information relating to the offering varies between the prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus and any related free writing prospectus. We have not authorized any dealer, salesman or other person to provide you with additional or different information. If anyone provides you with different or inconsistent information, you should not rely on it. This prospectus supplement and the accompanying prospectus are not an offer to sell or the solicitation of an offer to buy any securities other than the securities to which they relate and are not an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in that jurisdiction. You should not assume that the information contained in this prospectus supplement is accurate as of any date other than the date on the front cover of this prospectus supplement, or that the information contained in any document incorporated by reference is accurate as of any date other than the date of the document incorporated by reference, regardless of the time of delivery of this prospectus supplement or any sale of a security.

Unless otherwise indicated or the context otherwise requires, all references in this prospectus supplement to we, us, our, Oasis Petroleum and the company refer to Oasis Petroleum LLC and its subsidiaries before the completion of our corporate reorganization in connection with our initial public offering (IPO) and Oasis Petroleum Inc. and its subsidiaries as of the completion of our corporate reorganization and thereafter, the term Oasis refers to Oasis Petroleum Inc., and the term Subsidiary Guarantor refers to a guarantor of the notes.

Where you can find more information

We file annual, quarterly and current reports and other information with the Securities and Exchange Commission (the SEC) (File No. 001-34776) pursuant to the Securities Exchange Act of 1934 (the Exchange Act). You may read and copy any documents that are filed at the SEC s public reference room at 100 F Street, N.E., Washington, D.C. 20549. You may also obtain copies of these documents at prescribed rates from the public reference section of the SEC at its Washington address. Please call the SEC at 1-800-SEC-0330 for further information.

Our filings are also available to the public through the SEC s website at *http://www.sec.gov*.

The SEC allows us to incorporate by reference information that we file with them, which means that we can disclose important information to you by referring you to documents previously filed with the SEC. The information incorporated by reference is an important part of this prospectus supplement, and the information that we later file with the SEC will automatically update and supersede this information. The following documents we filed with the SEC pursuant to the Exchange Act are incorporated herein by reference:

our Annual Report on Form 10-K for the year ended December 31, 2010;

our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2011 and June 30, 2011;

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our Current Reports on Form 8-K and Form 8-K/A filed on January 24, 2011, January 28, 2011, February 2, 2011, February 18, 2011, March 28, 2011, May 11, 2011, June 22, 2011, June 24, 2011, July 15, 2011, August 3, 2011 (two Current Reports on Form 8-K filed), September 2, 2011 and October 7, 2011 (excluding any information furnished pursuant to Item 2.02 or Item 7.01 of any such Current Report on Form 8-K); and

our Definitive Proxy Statement on Schedule 14A filed on March 16, 2011 (those parts incorporated by reference in Oasis s Annual Report on Form 10-K for the year ended December 31, 2010).

These reports contain important information about us, our financial condition and our results of operations.

All future documents filed pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act (excluding any information furnished pursuant to Item 2.02 or Item 7.01 on any Current Report on Form 8-K) before the termination of the offering of securities under this prospectus supplement shall be deemed to be incorporated in this prospectus supplement by reference and to be a part hereof from the date of filing of such documents. Any statement contained herein, or in a document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained herein or in any subsequently filed document that also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

You may request a copy of these filings at no cost by writing or telephoning us at the following address and telephone number:

Oasis Petroleum Inc.
1001 Fannin Street, Suite 1500
Houston, Texas 77002
Attention: General Counsel
(281) 404-9500

We also maintain a website at *http://www.oasispetroleum.com*. However, the information on our website is not part of this prospectus supplement or the accompanying prospectus.

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Cautionary statement regarding forward-looking statements

Various statements contained in or incorporated by reference into this prospectus supplement that express a belief, expectation, or intention, or that are not statements of historical fact, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the Securities Act) and Section 21E of the Exchange Act. These forward-looking statements include statements, projections and estimates concerning our operations, performance, business strategy, oil and natural gas reserves, drilling program, capital expenditures, liquidity and capital resources, the timing and success of specific projects, outcomes and effects of litigation, claims and disputes, derivative activities and potential financing. Forward-looking statements are generally accompanied by words such as estimate, project, predict, believe, expect, anticipate, potential, could, may, foresee, plan, goa convey the uncertainty of future events or outcomes. Forward-looking statements are not guarantees of performance. We have based these forward-looking statements on our current expectations and assumptions about future events. These statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments as well as other factors we believe are appropriate under the circumstances. Actual results may differ materially from those implied or expressed by the forward-looking statements. These forward-looking statements speak only as of the date of this prospectus supplement, or if earlier, as of the date they were made. We disclaim any obligation to update or revise these statements unless required by securities law, and we caution you not to rely on them unduly. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties relating to, among other matters, the risks discussed in Risk Factors, our Annual Report on Form 10-K for the year ended December 31, 2010, our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2011 and June 30, 2011 and our subsequent SEC filings, as well as those factors summarized below:

- business strategy;
- reserves;
- technology;
- cash flows and liquidity;
- financial strategy, budget, projections and operating results;
- oil and natural gas realized prices;
- timing and amount of future production of oil and natural gas;
- availability of drilling, completion and production equipment and materials;
- availability of qualified personnel;
- owning and operating a services company;
- the amount, nature and timing of capital expenditures, including future development costs;
- availability and terms of capital;
- drilling and completion of wells;
- infrastructure for salt water disposal;
- gathering, transportation and marketing of oil and natural gas;
- property acquisitions;
- costs of exploiting and developing our properties and conducting other operations;
- general economic conditions;
- inclement weather conditions;
- competition in the oil and natural gas industry;

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- effectiveness of our risk management activities;
- environmental liabilities;
- counterparty credit risk;
- governmental regulation and taxation of the oil and natural gas industry;
- developments in oil-producing and natural gas-producing countries;
- uncertainty regarding our future operating results;
- estimated future net reserves and present value thereof; and
- plans, objectives, expectations and intentions contained in this prospectus supplement that are not historical.

Reserve engineering is a process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by our reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ from the quantities of oil and natural gas that are ultimately recovered.

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Summary

This summary provides a brief overview of information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference. Because it is abbreviated, this summary does not contain all of the information that you should consider before investing in the notes. You should read carefully the entire prospectus supplement, the accompanying prospectus and the documents incorporated by reference before making an investment decision, including the information presented under the headings Risk factors, and Cautionary statement regarding forward-looking statements beginning on pages S-19 and S-iv, respectively, of this prospectus supplement. We have provided definitions for certain oil and natural gas terms used in this prospectus supplement in the Glossary of oil and natural gas terms beginning on page A-1 of this prospectus.

In this prospectus supplement, unless otherwise indicated or the context otherwise requires, the terms we, us, our, Oasis Petroleum and the company refer to Oasis Petroleum LLC and its subsidiaries before the completion of our corporate reorganization in connection with our initial public offering (IPO) and Oasis Petroleum Inc. and its subsidiaries as of the completion of our corporate reorganization and thereafter, the term Oasis refers to Oasis Petroleum Inc., and the term Subsidiary Guarantor refers to a guarantor of the notes.

Overview

We are an independent exploration and production company focused on the development and acquisition of unconventional oil and natural gas resources. As of December 31, 2010, we accumulated 303,231 net leasehold acres in the Williston Basin. DeGolyer and MacNaughton, our independent reserve engineers, estimated our net proved reserves to be 39.8 MMBoe (39.7 MMBoe in the Williston Basin) as of December 31, 2010, 43% of which were classified as proved developed and 92% of which were comprised of oil. We are currently focused on exploiting what we have identified as significant resource potential from the Bakken and Three Forks formations, which are present across a substantial majority of our acreage. A report issued by the United States Geological Survey (USGS) in April 2008 classified these formations as the largest continuous oil accumulation ever assessed by it in the contiguous United States of America. We believe the location, size and concentration of our acreage in our core project areas create an opportunity for us to achieve cost, recovery and production efficiencies through the large-scale development of our project inventory. Our management team has a proven track record in identifying, acquiring and executing large, repeatable development drilling programs, which we refer to as resource conversion opportunities, and has substantial experience in the Williston Basin. During the nine months ended September 30, 2011, we completed and began production on 46 gross operated wells in the Bakken and Three Forks formations and achieved 100% success in the finding of hydrocarbons (all of which are economic based on average prices during the three months ended September 30, 2011). This success has been achieved through the application of the latest drilling and completion techniques. We have built our leasehold acreage position in the Williston Basin primarily through acquisitions in our three primary project areas: West Williston, East Nesson and Sanish. The following table presents

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summary data for each of our primary project areas as of December 31, 2010, unless otherwise indicated:

		Indentified Drilling locations		2011 Budget(1)			Estimated net proved reserves as of December 31, 2010		Average daily production(2)
	Net Acreage	Gross	Net	Gross Wells	Net Wells	Drilling Capex (in millions)	MMBoe	Developed (%)	(Boe/d)
Williston Basin:									
West Williston(3)	191,716	859	393.1	63	45.9	$ 429	22.9	39	7,567
East Nesson(3)	102,786	255	127.6	20	8.2	73	9.6	42	2,220
Sanish(4)	8,729	189	16.6	61	3.7	25	7.2	55	1,711
Total Williston Basin	303,231	1,303	537.3	144	57.7	527	39.7	43	11,498
Other	879						0.1	100	85
Total	304,110	1,303	537.3	144	57.7	$ 527	39.8	43	11,583

(1) 2011 Budget amounts give effect to previously announced adjustments approved by our Board of Directors on August 1, 2011.

(2) Represents average daily production for the three months ended September 30, 2011.

(3) Identified gross and net drilling locations in our West Williston and East Nesson project areas are based on mostly 1,280 acre spacing units with three wells targeting the Bakken formation in each identified spacing unit (excluding previously drilled wells). With the exception of one proved undeveloped drilling location, the drilling locations do not include wells targeting the Three Forks formation.

(4) Identified gross and net drilling locations in our Sanish project area include up to three wells targeting the Bakken formation and two wells targeting the Three Forks formation per identified spacing unit (excluding previously drilled wells). In the Sanish project area, we have identified 57 gross (5.1 net) drilling locations remaining in the Bakken formation and 132 gross (11.5 net) drilling locations remaining in the Three Forks formation.

Based on the delineation of the Bakken formation throughout much of our acreage, we had 1,303 gross drilling locations as of December 31, 2010. This drilling inventory is based on 472 substantially delineated and economically viable spacing units. In our West Williston and East Nesson project areas, our drilling inventory includes three wells per spacing unit (excluding previously drilled wells). In the more mature Sanish project area, our drilling inventory includes up to three Bakken wells and two Three Forks wells per spacing unit (excluding previously drilled wells). Assuming three Three Forks wells per spacing unit, this would add an additional 1,155 potential gross (544.1 net) Three Forks locations in our West Williston and East Nesson project areas. Throughout the Williston Basin, we believe we have an aggregate of 2,458 gross (1,081.4 net) potential drilling locations targeting the Bakken and Three Forks formations as of December 31, 2010.

Our total 2011 capital expenditure budget is $627 million. Our exploration and production budget is $587 million, and consists of:

- $527 million for drilling and completing operated and non-operated wells;
- $60 million for maintaining and expanding our leasehold position, constructing infrastructure to support production in our core project areas, micro-seismic work, purchasing seismic data and other test work.

Additionally, our 2011 budget includes expenditures related to our newly-formed oil well services subsidiary totaling $24 million for equipment and materials related to start-up costs necessary to provide select well services to us. Our 2011 budget also includes $16 million of other non-exploration and production capital expenditures for an operations building in Williston, North Dakota, and other equipment.

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While we have budgeted $627 million for these purposes, the ultimate amount of capital we will expend may fluctuate materially based on market conditions and the success of our drilling and operations results as the year progresses. However, because the operated wells funded by our 2011 drilling plan represent only a small percentage of our gross identified drilling locations, we may be required to generate or raise multiples of this amount of capital to develop our entire inventory of identified drilling locations should we elect to do so.

Our capital budget may be adjusted as business conditions warrant. The amount, timing and allocation of capital expenditures is largely discretionary and within our control. If oil and natural gas prices decline or costs increase significantly, we could defer a significant portion of our budgeted capital expenditures until later periods to prioritize capital projects that we believe have the highest expected returns and potential to generate near-term cash flows. We routinely monitor and adjust our capital expenditures in response to changes in prices, availability of financing, drilling and acquisition costs, industry conditions, the timing of regulatory approvals, the availability of rigs, success or lack of success in drilling activities, contractual obligations, internally generated cash flows and other factors both within and outside our control.

Our business strategy

Our goal is to enhance value by building reserves, production and cash flows at attractive rates of return. We seek to achieve our goals through the following strategies:

Develop our Williston Basin leasehold position. We intend to drill and develop our acreage position to maximize the value of our resource potential. The aggregate 771 gross (485.6 net) operated drilling locations that we have specifically identified in the Bakken formation in our West Williston and East Nesson project areas will be our primary targets in the near term. Our 2011 drilling plan contemplates drilling approximately 73 gross (53.3 net) operated wells in these project areas by using seven operated drilling rigs during the first three quarters of 2011 and adding two operated drilling rigs during the fourth quarter of 2011, for a total of nine operated drilling rigs. In the nine months ended September 30, 2011, we completed and began production on 46 gross (35.5 net) operated wells in the Williston Basin, including 22 gross (17.4) net operated wells in the third quarter of 2011. As of September 30, 2011, we had 21 gross (15.6 net) operated wells waiting on completion and seven gross (5.4 net) operated wells drilling. Consistent with our drilling plan, we have contracted for two additional operated drilling rigs during the fourth quarter of 2011 and believe we have the ability to add additional drilling rigs in 2012 if market conditions and program results warrant.

Focus on operational and cost efficiencies. Our management team is focused on continuous improvement of our operating measures and has significant experience in successfully converting early-stage resource conversion opportunities into cost-efficient development projects. We believe the magnitude and concentration of our acreage within our project areas provides us with the opportunity to capture economies of scale, including the ability to drill multiple wells from a single drilling pad, utilizing centralized production and fluid handling facilities and reducing the time and cost of rig mobilization.

Adopt and employ leading drilling and completion techniques. Our team is focused on enhancing our drilling and completion techniques to maximize recovery. We believe these techniques have significantly evolved over the last several years, resulting in increased initial production rates and recoverable hydrocarbons per well through the implementation of techniques such as using longer laterals and more tightly spaced fracturing stimulation stages. We continuously evaluate our internal drilling results and monitor the results of other operators to improve our operating practices, and we expect our drilling and completion techniques will continue to evolve. This continued evolution may significantly enhance our initial production rates, ultimate recovery factors and rate of return on invested capital.

Pursue strategic acquisitions with significant resource potential. As opportunities arise, we intend to identify and acquire additional acreage and producing assets in the Williston Basin to supplement our existing operations. Going forward, we may selectively target additional basins that would allow us to employ our resource conversion strategy on large undeveloped acreage positions similar to what we have accumulated in the Williston Basin.

Maintain financial flexibility and conservative financial position. We are committed to maintaining a conservative financial strategy by managing our liquidity position and leverage levels. As of September 30, 2011, we had no outstanding borrowings under our revolving credit facility and no outstanding letters of credit issued under the revolving credit facility. As a result of this offering, we expect to have $933.0 million of liquidity available, including approximately $583.0 million in cash and short-term investments and $350.0 million available under our revolving credit facility. This liquidity position, along with internally generated cash flows, will provide additional financial flexibility as we continue to develop our acreage position in the Williston Basin. Furthermore, we intend to maintain a conservative, balanced capital structure by prudently raising proceeds from future equity and debt offerings as additional capital needs arise.

Our competitive strengths

We have a number of competitive strengths that we believe will help us to successfully execute our business strategies:

Substantial leasehold position in one of North America s leading unconventional oil-resource plays. Our leasehold position as of December 31, 2010 of 303,231 net leasehold acres in the Williston Basin is highly prospective in the Bakken formation and 92% of our 39.7 MMBoe net proved reserves in this area were comprised of oil as of December 31, 2010. We believe our acreage is one of the largest concentrated leasehold positions that is prospective in the Bakken formation, and much of our acreage is in areas of significant drilling activity by other exploration and production companies. While we are initially targeting the Bakken formation, we are also drilling wells to evaluate what we believe to be significant prospectivity in the Three Forks formation that underlies a large portion of our acreage. We expect that the scale and concentration of our acreage will enable us to continue to improve our drilling and completion costs and operational efficiency.

Large, multi-year project inventory. As of December 31, 2010, we had an inventory of approximately 1,303 gross drilling locations, primarily targeting the Bakken formation. We plan to drill 73 gross (53.3 net) operated wells across our West Williston and East Nesson project areas during 2011, the completion of which represents 10% of our 771 gross operated drilling locations in the Bakken formation in these two project areas.

Management team with proven operating and acquisition skills. Our senior management team has extensive expertise in the oil and gas industry as previous members of management at Burlington Resources. The senior technical team has an average of more than 25 years of

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industry experience, including experience in multiple North American resource plays as well as experience in other North American and international basins. We believe our management and technical team is one of our principal competitive strengths relative to our industry peers due to our team s proven track record in identification, acquisition and execution of resource conversion opportunities. In addition, this team possesses substantial expertise in horizontal drilling techniques and managing and acquiring large development programs, and also has prior experience in the Williston Basin.

Incentivized management team. As of September 30, 2011, our executive officers owned approximately 10% of our common stock. We believe our executive officers ownership interest in us provides them with significant incentives to grow the value of our business for the benefit of all stakeholders.

Operating control over the majority of our portfolio. In order to maintain better control over our asset portfolio, we have established a leasehold position comprised primarily of properties that we expect to operate. We expect to operate approximately 59% of our 1,303 identified gross drilling locations, or 90% of our 537.3 identified net drilling locations. As of December 31, 2010, approximately 79% of our total proved reserves were attributable to properties that we expect to operate. Approximately 95% of our estimated 2011 drilling and completion capital expenditures budget is related to operated wells, which we anticipate will result in an increase in 2011 of the percentage of our proved reserves attributable to properties we expect to operate. As of December 31, 2010, our average working interest in our operated and non-operated identified drilling locations was 63% and 10%, respectively. Controlling operations will allow us to dictate the pace of development as well as the costs, type and timing of exploration and development activities. We believe that maintaining operational control over the majority of our acreage will allow us to better pursue our strategies of enhancing returns through operational and cost efficiencies and maximizing hydrocarbon recovery through continuous improvement of drilling and completion techniques.

Recent developments

Third quarter operating results. During the third quarter of 2011, we completed and placed on production 22 gross operated wells (17.4 net) in the Bakken and Three Forks formations. Of the 22 gross operated wells completed during the third quarter, nine were completed in September. On September 30, 2011, we were in the process of drilling seven gross operated wells (5.4 net) and had 21 gross operated wells (15.6 net) waiting on completion in the Bakken and Three Forks formations. As of October 27, 2011, we were running nine operated rigs, an increase of two rigs above the seven rigs that were running on September 30, 2011.

Average daily production for the third quarter of 2011 was 11,583 Boe per day (Boe/d), an increase of 110% as compared to 5,507 Boe/d in the third quarter of 2010. Sequential quarter-over-quarter production increased by 3,690 Boe/d, or 47%. During the first three weeks of October 2011, volumes from operational reports have our production averaging approximately 14,300 Boe/d, including 4.4 MMcf per day (MMcf/d) of natural gas. The 80% increase in natural gas production over the 2.45 MMcf/d produced in the third quarter of 2011 is primarily attributable to the ongoing installation of natural gas gathering projects on our properties. Average daily production by project area is listed in the following table:

	Average daily production for the three months ended (Boepd):			
Project Area	**Sept 30, 2011**	**Jun 30, 2011**	**Change**	**% Change**
Williston Basin:				
West Williston	7,567	4,386	3,181	73%
East Nesson	2,220	1,975	245	12%
Sanish	1,711	1,433	278	19%
Total Williston Basin	**11,498**	**7,794**	**3,704**	**48%**
Other	85	99	(14)	14%
Total	**11,583**	**7,893**	**3,690**	**47%**

Preliminary third quarter financial results and updated fiscal year 2011 outlook. Our management has prepared the summary preliminary financial data below based on the most current information available to management. Our normal closing and financial reporting processes with respect to the summary preliminary financial data for the three months ended September 30, 2011 have not been fully completed. As a result, our actual financial results could be different from these summary preliminary financial data, and any differences could be material. Our independent registered public accounting firm has not performed review procedures with respect to the summary preliminary financial data provided below, nor have they expressed any opinion or provided any other form of assurance on the data. The summary preliminary financial data below has been prepared on a basis consistent with our unaudited condensed consolidated financial statements for the three months ended June 30, 2011. This summary is not intended to be a comprehensive statement of our unaudited financial results for this period. The results of operations for an interim period, including the summary preliminary financial data provided below, may not give a true indication of the results to be expected for a full year or any future period.

In the third quarter, we expect our average realized oil price to be between $83 and $84 per barrel, which includes an approximate 6.0% to 7.0% differential to West Texas Intermediate (WTI) crude oil index prices. In December 2010, we announced a production range target of 11,000 to 12,500 Boe/d, on average, for the fiscal year 2011. We currently expect production to be around the low end of this range due to the potential of heightened takeaway capacity constraints during the fourth quarter of 2011.

We expect lease operating expenses (LOE) for the third quarter of 2011 to range from $9.15 to $9.30 per Boe. During the third quarter of 2011, we incurred higher than ordinary expenses associated with salt water trucking and disposal as well as increased costs for repairing roads and locations damaged by the inclement weather in the first half of 2011. We have $35 million of capital in our 2011 budget allocated to building salt water disposal (SWD) infrastructure, which is currently being deployed in key operating areas. While the SWD projects are in progress, expected completions have been delayed by approximately one quarter. The SWD system in the southern part of the East Nesson is currently operational, and we expect the West Williston SWD systems to be operational during the first quarter of 2012. Our SWD infrastructure is expected to eliminate the need for trucks, simplify operational logistics, and reduce costs in 2012 by $2.00 to $3.00 per

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Boe from current levels. As a result of the increased costs in 2011, we are increasing our range for LOE for the fiscal year 2011 from $5.00 to $7.00 per Boe to $8.00 to $9.00 per Boe, primarily due to the aforementioned reasons. Our non-operated LOE has increased in a manner similar to our operated LOE, as other operators in the Williston Basin face similar conditions.

We expect exploration and production general and administrative expenses (E&P G&A), which excludes G&A associated with the business of Oasis Well Services, for the third quarter of 2011 to range from $6.80 to $6.90 per Boe. We continue to be within the original full year range and are now tightening guidance for E&P G&A to range from $7.00 to $7.50 per Boe. Production taxes in the third quarter of 2011 are expected to range from 10.0% to 10.2%. The forecast for production taxes as a percentage of revenue for fiscal year 2011 is being lowered from 10.5% to 11.0% to 10.2% to 10.6% due to lower year-to-date taxes.

The following table provides our preliminary third quarter expenses and updated forward-looking guidance for expenses based on our current forecasts of key metrics for 2011:

Metric	**Preliminary 3Q 11**	**FY 11 Outlook**
LOE ($/Boe)	$9.15 - $9.30	$8.00 - $9.00
E&P G&A ($/Boe)	$6.80 - $6.90	$7.00 - $7.50
Production Taxes (% of revenue)	10.0% - 10.2%	10.2% - 10.6%

Lastly, capital expenditures are expected to total $200.0 to $210.0 million in the third quarter of 2011 and $408.0 million to $418.0 million year to date ending September 30, 2011. Our full year 2011 capital spending program of $627 million remains unchanged.

Amendment to revolving credit facility and redetermination of borrowing base. On October 6, 2011, we entered into an amendment to our amended and restated revolving credit facility in order to, among other things:

- reduce the interest rates payable on borrowings under our revolving credit facility;
- extend the maturity date of our revolving credit facility from February 26, 2015 to October 6, 2016; and
- increase the size of our revolving credit facility from $600 million to $1 billion.

In connection with this amendment, the semi-annual redetermination of our borrowing base was completed on October 6, 2011, which resulted in our borrowing base increasing from $137.5 million to $350 million. As of September 30, 2011, we had no outstanding indebtedness under our revolving credit facility and no outstanding letters of credit issued under the revolving credit facility. On September 30, 2011, we had total cash and cash equivalents of $163.6 million and short-term investments of $124.9 million. On October 25, 2011, our lenders waived the mandatory reduction of our borrowing base that otherwise would have occurred as a result of the issuance of the notes offered hereby. For more information regarding our revolving credit facility, see Description of other indebtedness.

Derivative instruments. In October 2011, we converted our deferred premium put contracts for 4,000 barrels per day in calendar year 2012 to three-way costless collar options. Additionally, we added deferred premium put spread contracts for 2,000 barrels per day in calendar year 2012. As of October 26, 2011, we had 8,548 barrels per day hedged for the remainder of 2011, 13,500 barrels per day hedged in 2012, and 4,000 barrels per day hedged in 2013.

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Marketing and transportation

The Williston Basin crude oil transportation and refining infrastructure has grown substantially in recent years, largely in response to drilling activity in the Bakken formation. Based on reports from the North Dakota Industrial Commission and the North Dakota Pipeline Authority, combined recent oil production from the Williston Basin totaled approximately 507,000 barrels per day. As of September 30, 2011, there were approximately 553,000 barrels per day of crude oil transportation and refining capacity in the Williston Basin, comprised of approximately 350,000 barrels per day of pipeline transportation capacity and approximately 58,000 barrels per day of refining capacity at the Tesoro Corporation Mandan refinery. In addition, approximately 65,000 barrels per day of specifically dedicated railcar transportation capacity has been placed into service and there are approximately 80,000 barrels per day being transported by truck to Canada and by other smaller rail sites in the Williston Basin. Based on publicly announced expansion projects, pipeline transportation capacity for Williston Basin oil production could increase by approximately 450,000 barrels per day by 2013 and additional pipeline projects totaling approximately 800,000 barrels per day are under consideration. A total of approximately 825,000 barrels per day of rail transportation is expected to be in place by 2013 based on existing and announced projects. We sell a substantial majority of our oil production directly at the wellhead and are not responsible for its transportation. However, the price we receive at the wellhead is impacted by transportation and refining infrastructure constraints. For a discussion of the potential risks to our business that could result from transportation and refining infrastructure constraints in the Williston Basin, please see Risk factors Insufficient transportation or refining capacity in the Williston Basin could cause significant fluctuations in our realized oil and natural gas prices.

Corporate information

Our principal executive offices are located at 1001 Fannin Street, Suite 1500, Houston, Texas 77002, and our telephone number at that address is (281) 404-9500. Our website is located at http://*www.oasispetroleum.com*. Information contained on our website (other than the documents listed under Incorporation of certain documents by reference) or any other website is not incorporated by reference herein and does not constitute a part of this prospectus supplement and the accompanying prospectus.

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The offering

The following summary contains basic information about the notes and is not complete. For a more complete understanding of the notes, please refer to the section entitled Description of notes in this prospectus supplement and Description of Debt Securities in the accompanying base prospectus. For purposes of this section of the summary and the description of the notes included in this prospectus supplement, references to we, our, us, the Company, or Oa refer only to Oasis Petroleum Inc. and do not include its subsidiaries.

Issuer	Oasis Petroleum Inc.
Notes offered	$300,000,000 aggregate principal amount of % senior notes due 2021.
Maturity	, 2021.
Interest payment dates	and of each year, beginning on , 2012. Interest will accrue from , 2011.
Guarantees	The notes will be jointly and severally guaranteed on a senior unsecured basis by all our existing material subsidiaries and certain future subsidiaries. See Description of notes Covenants Subsidiary guarantees.
Ranking	The notes will be our general senior unsecured obligations and will:

rank senior in right of payment to any future subordinated indebtedness of Oasis;

rank *pari passu* in right of payment with any existing and future senior indebtedness of Oasis;

rank effectively junior in right of payment to Oasis existing and future secured indebtedness, including indebtedness under our revolving credit facility, to the extent of the value of the assets of Oasis constituting collateral securing such indebtedness; and

rank effectively junior in right of payment to any indebtedness or liabilities of any of our subsidiaries that do not guarantee the notes.

As of October 25, 2011, on an as adjusted basis after giving effect to the sale of the notes, the application of the net proceeds therefrom as described under Use of proceeds in this prospectus supplement, Oasis would have had no indebtedness outstanding, other than the notes offered hereby and its outstanding $400 million 7.25% Senior Notes due 2019, and Oasis would have had approximately $350 million of secured borrowing capacity available under its revolving credit facility. As of October 25, 2011, the non-guarantor subsidiaries of Oasis had no material assets and no indebtedness outstanding.

The guarantees will be the guarantors general senior unsecured obligations and will:

rank senior in right of payment to any future subordinated indebtedness of such Subsidiary Guarantor;

rank *pari passu* in right of payment with any existing and future senior indebtedness of such Subsidiary Guarantor, including its guarantee of Oasis outstanding $400 million 7.25% Senior Notes due 2019; and

rank effectively junior in right of payment to all existing and future secured indebtedness of such Subsidiary Guarantor (including any indebtedness under our revolving credit facility), to the extent of the value of the assets of such Subsidiary Guarantor constituting collateral securing such indebtedness.

As of June 30, 2011, on an as adjusted basis and after giving effect to the sale of the notes and the application of the net proceeds therefrom as described under Use of proceeds in this prospectus supplement, our material subsidiaries (all of which will initially guarantee the notes) collectively had no consolidated indebtedness, except for their guarantees of the notes offered hereby and Oasis outstanding $400 million 7.25% Senior Notes due 2019.

Use of proceeds

We intend to use the net proceeds from this offering to fund our exploration, development and acquisition program and for general corporate purposes. Please see Use of proceeds.

Optional redemption

We will have the option to redeem the notes, in whole or in part, at any time on or after , 2016, in each case at the redemption prices described in this prospectus supplement under the heading Description of notes Optional redemption, together with any accrued and unpaid interest to the date of such redemption.

At any time prior to , 2016, we may redeem the notes, in whole or in part, at a redemption price plus an applicable make-whole premium described in this prospectus supplement under Description of notes Optional redemption, together with any accrued and unpaid interest to the date of such redemption.

In addition, prior to , 2016, we may, from time to time, redeem up to 35% of the aggregate principal amount of the notes with the net cash proceeds of certain equity offerings at a redemption price equal to % of the principal amount of the notes, plus any accrued and unpaid interest to the date of redemption.

If certain transactions that would constitute a change of control occur prior to , 2013, we may redeem all, but not less than all, of the notes at a redemption price equal to 110% of the principal amount of the notes redeemed plus any accrued and unpaid interest to the date of such redemption.

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Change of control; asset sales	Upon the occurrence of a change of control (as defined in the indenture for the notes), holders of the notes will have the right to require us to repurchase all or a portion of the notes at a price equal to 101% of the aggregate principal amount of the notes repurchased, together with any accrued and unpaid interest to the date of purchase. In connection with certain asset sales, we will be required to use the net cash proceeds of the asset sale to make an offer to purchase the notes at 100% of the principal amount, together with any accrued and unpaid interest to the date of purchase.
Certain covenants	We will issue the notes under an indenture with U.S. Bank National Association, as trustee. The indenture will, among other things, limit our and our restricted subsidiaries ability to: make investments; incur additional indebtedness or issue preferred stock; create liens; sell assets; enter into agreements that restrict dividends or other payments by restricted subsidiaries; consolidate, merge or transfer all or substantially all of the assets of our company; engage in transactions with our affiliates; pay dividends or make other distributions on capital stock or prepay subordinated indebtedness; and create unrestricted subsidiaries. These covenants are subject to important exceptions and qualifications, which are described in this prospectus supplement under Description of notes Covenants. However, most of the covenants will terminate if both Standard & Poor s Ratings Services and Moody s Investors Service, Inc. assign the notes an investment grade rating and no default exists with respect to the notes.
Additional notes	We may from time to time create and issue additional notes having the same terms as the notes being issued in this offering, so that such additional notes shall be consolidated and form a single series with the notes offered hereby.
No prior market	The notes will be new securities for which there is no market. Although the underwriters have informed us that they intend to make a market in the notes, they are not obligated to do so and may discontinue market making at any time without notice. Accordingly, a liquid market for the notes may not develop or be maintained.

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Governing law	The notes offered hereby and the indenture relating to the notes will be governed by New York law.
Risk factors	Investing in the notes involves risks. Please see Risk factors beginning on page S-19 of this prospectus supplement, as well as the other cautionary statements throughout this prospectus supplement and the documents we incorporate by reference, for a discussion of factors you should carefully consider before deciding to invest in the notes.

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Summary historical consolidated financial data

You should read the following summary financial data in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations in each of our Annual Report on Form 10-K for the year ended December 31, 2010 and our Quarterly Report on Form 10-Q for the period ended June 30, 2011 and our historical consolidated financial statements and related notes thereto included in our Current Report on Form 8-K filed with the SEC on July 15, 2011 and incorporated by reference into this prospectus supplement. We believe that the assumptions underlying the preparation of our historical consolidated financial statements are reasonable. The financial information included in this prospectus supplement may not be indicative of our future results of operations, financial position and cash flows.

Set forth below is our summary historical consolidated financial data for the years ended December 31, 2008, 2009 and 2010 and balance sheet data at December 31, 2009 and 2010, all of which have been derived from our audited consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on July 15, 2011 and incorporated by reference in this prospectus supplement. Our historical financial data below as of June 30, 2011 and for the six months ended June 30, 2010 and 2011 are derived from our unaudited condensed consolidated financial statements and the notes thereto included in our Quarterly Report on Form 10-Q for the period ended June 30, 2011 and incorporated by reference in this prospectus supplement and, in our opinion, have been prepared on a basis consistent with the audited consolidated financial statements and the notes thereto and include all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation of this information.

(Dollars in thousands)	Year ended December 31, 2008	2009(1)	2010	Six months ended June 30, 2010	2011
Statement of operations data:					
Oil and gas revenues	$ 34,736	$ 37,755	$ 128,927	$ 46,802	$ 125,950
Expenses:					
Lease operating expenses	7,073	8,691	14,582	5,904	12,140
Production taxes	3,001	3,810	13,768	4,612	13,168
Depreciation, depletion and amortization	8,686	16,670	37,832	14,632	26,912
Exploration expenses	3,222	1,019	297	42	291
Rig termination(2)		3,000			
Impairment of oil and gas properties(3)	47,117	6,233	11,967	10,984	2,917
Gain on sale of properties		(1,455)			
Stock-based compensation expenses(4)			8,743	5,200	
General and administrative expenses(5)	5,452	9,342	19,745	7,259	12,564
Total expenses	74,551	47,310	106,934	48,633	67,992
Operating income (loss)	(39,815)	(9,555)	21,993	(1,831)	57,958

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(Dollars in thousands)	Year ended December 31, 2008	2009(1)	2010	Six months ended June 30, 2010	2011
Other income (expense):					
Change in unrealized gain (loss) on derivative instruments	14,769	(7,043)	(7,533)	3,008	533
Realized gain (loss) on derivative instruments	(6,932)	2,296	(120)	(59)	(4,652)
Interest expense	(2,404)	(912)	(1,357)	(847)	(11,959)
Other income (expense)	(9)	5	284	15	691
Total other income (expense)	5,424	(5,654)	(8,726)	2,117	(15,387)
Income (loss) before income taxes	(34,391)	(15,209)	13,267	286	42,571
Income tax expense(6)			42,962	29,867	16,069
Net income (loss)	$ (34,391)	$ (15,209)	$ (29,695)	$ (29,851)	$ 26,502

(1) Our statement of operations data for the year ended December 31, 2009 does not include the effects of the acquisition of interests in certain oil and gas properties from Kerogen Resources, Inc. for the full twelve months of 2009. We acquired such interests on June 15, 2009. See Note 6 to our audited consolidated financial statements incorporated by reference into this prospectus supplement.

(2) During the first quarter of 2009, we paid a total of $3.0 million in rig termination expenses in connection with early termination of two drilling rig contracts entered into in 2008. We did not have any rig termination expenses during the years ended December 31, 2008 and 2010 or for the six month periods ended June 30, 2010 and 2011.

(3) For the years ended December 31, 2008, 2009 and 2010 and for each of the six month periods ended June 30, 2010 and 2011 we recognized non-cash impairment charges on our unproved properties due to expiring leases of $1.6 million, $5.4 million, $12.0 million, $11.0 million and $2.9 million, respectively. In 2008 and 2009, we recognized a $45.5 million and a $0.8 million non-cash impairment charge on our proved properties, respectively. See Note 2 to our audited consolidated financial statements incorporated by reference into this prospectus supplement.

(4) In March 2010, we recorded a $5.2 million stock-based compensation charge associated with Oasis Petroleum Management LLC, or OPM, granting 1.0 million C Units to certain of our employees. During the fourth quarter of 2010, we recorded an additional $3.5 million in stock-based compensation expense primarily associated with OPM granting discretionary shares of our common stock to certain of our employees who were not C Unit holders and certain contractors. See Note 10 to our audited consolidated financial statements incorporated by reference into this prospectus supplement.

(5) For the year ended December 31, 2010, our general and administrative expenses included approximately $4.2 million of IPO-related costs and approximately $1.2 million of amortization of our restricted stock awards. No stock-based compensation expense was recorded for the years ended December 31, 2009 and 2008 and for the period from February 26, 2007 (Inception) through December 31, 2007 as we had not historically issued stock-based compensation awards to our employees. See Note 10 to our audited consolidated financial statements incorporated by reference into this prospectus supplement.

(6) Prior to our corporate reorganization, we were a limited liability company not subject to entity-level income tax. Accordingly, no provision for federal or state corporate income taxes was recorded for the years ended December 31, 2008 and 2009, as the taxable income was allocated directly to our equity holders. In connection with the closing of our IPO, we merged into a corporation and became subject to federal and state entity-level taxation. See Note 11 to our audited consolidated financial statements incorporated by reference into this prospectus supplement.

(Dollars in thousands)	**As of December 31, 2008**	**2009**	**2010**	**As of June 30, 2011**
Balance sheet data:				
Cash and cash equivalents	$ 1,570	$ 40,562	$ 143,520	$ 300,005
Net property, plant and equipment	114,220	181,573	483,683	663,252
Total assets	129,068	239,553	691,852	1,180,838
Long-term debt	26,000	35,000		400,000
Total members /stockholders equity	$ 82,459	$ 171,850	$ 551,794	$ 579,308

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(Dollars in thousands, except ratios)	Year ended December 31, 2008	2009	2010	Six months ended June 30, 2010	2011
Other financial data:					
Net cash provided by operating activities	$ 13,766	$ 6,148	$ 49,612	$ 20,630	$ 102,095
Net cash used in investing activities	(78,478)	(80,756)	(309,535)	(98,217)	(335,024)
Net cash provided by financing activities	60,000	113,600	362,881	363,256	389,414
Adjusted EBITDA(1)	12,269	16,668	82,223	29,032	85,688
Ratio of earnings to fixed charges(2)(3)			9.72	1.31	4.54

(1) Adjusted EBITDA is a non-GAAP financial measure. For a definition of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to our net income (loss) and net cash provided by operating activities, see Non-GAAP financial measure below.

(2) The ratio of earnings to fixed charges is calculated as earnings divided by fixed charges. Earnings consist of pre-tax income from continuing operations before fixed charges. Fixed charges consist of interest expense, amortized capitalized expenses related to indebtedness and an estimate of interest within rental expense.

(3) Due to our net pre-tax loss for the years ended December 31, 2008 and December 31, 2009, the ratio of earnings to fixed charges was less than 1:1. The Company would have needed additional earnings of $34.4 million and $15.2 million for the years ended December 31, 2008 and December 31, 2009, respectively, to achieve a coverage of 1:1.

Non-GAAP financial measure

Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our consolidated financial statements, such as industry analysts, investors, lenders and rating agencies.

We define Adjusted EBITDA as earnings before interest expense, income taxes, depreciation, depletion and amortization, property impairments, exploration expenses, unrealized derivative gains and losses and non-cash stock-based compensation expenses. Adjusted EBITDA is not a measure of net income or cash flows as determined by United States generally accepted accounting principles, or GAAP.

Management believes Adjusted EBITDA is useful because it allows them to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure. We exclude the items listed above from net income in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income or cash flows from operating activities as determined in accordance with GAAP or as an indicator of our operating performance or liquidity. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing a company s financial performance, such as a company s cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are components of Adjusted EBITDA. Our computations of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. We believe that Adjusted EBITDA is a widely followed measure of operating performance and may also be used by investors to measure our ability to meet debt service requirements.

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The following tables present a reconciliation of the non-GAAP financial measure of Adjusted EBITDA to the GAAP financial measures of net income (loss) and net cash provided by operating activities, respectively.

	Year ended December 31,			Six months ended June 30,	
(Dollars in thousands)	**2008**	**2009**	**2010**	**2010**	**2011**
Adjusted EBITDA reconciliation to Net Income (Loss):					
Net income (loss)	$ (34,391)	$ (15,209)	$ (29,695)	$ (29,581)	$ 26,502
Change in unrealized (gain) loss on derivative instruments	(14,769)	7,043	7,533	(3,008)	(533)
Interest expense	2,404	912	1,357	847	11,959
Depreciation, depletion and amortization	8,686	16,670	37,832	14,632	26,912
Impairment of oil and gas properties	47,117	6,233	11,967	10,984	2,917
Exploration expenses	3,222	1,019	297	42	291
Stock-based compensation expenses			9,970	5,249	1,571
Income tax expense			42,962	29,867	16,069
Adjusted EBITDA	$ 12,269	$ 16,668	$ 82,223	$ 29,032	$ 85,688

	Year ended December 31,			Six months ended June 30,	
(Dollars in thousands)	**2008**	**2009**	**2010**	**2010**	**2011**
Adjusted EBITDA reconciliation to Net Cash Provided by Operating Activities:					
Net cash provided by operating activities	$ 13,766	$ 6,148	$ 49,612	$ 20,630	$ 102,095
Realized gain (loss) on derivative instruments	(6,932)	2,296	(120)	(59)	(4,652)
Interest expense	2,404	912	1,357	847	