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): November 21, 2019

Riviera Resources, Inc.
(Exact name of registrant specified in its charter)

Delaware	333-225927	82-5121920
(State or Other Jurisdiction Of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

600 Travis Street, Suite 1700 Houston, Texas	77002
(Address of principal executive offices)	(Zip Code)

(281) 840-4000
(Registrant's telephone number, including area code)

NOT APPLICABLE
(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 (see General Instruction A.2. below):

☐ 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
None	None	None

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).

Emerging growth company ☐

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 2.01 Completion of Acquisition or Disposition of Assets.

On November 22, 2019, Riviera Resources, Inc. ("Riviera" or the "Company"), completed the sale of its interest in its remaining properties located in the Hugoton Basin contemplated by the Purchase and Sale Agreement, dated August 28, 2019 (the "Purchase Agreement"), by and between the Riviera Upstream, LLC, Riviera Operating, LLC and Scout Energy Group V, LP (the "Buyer"). Pursuant to the Purchase Agreement, the Company divested all of its collective right, title and interest in and to certain oil and gas properties in the Hugoton Basin, including related assets and contracts, and 100% of the issued and outstanding equity interests of Mayzure, LLC (including the term overriding royalty interest in helium produced from certain oil and natural gas properties in the Hugoton Basin that Riviera contributed to Mayzure, LLC in March 2019), for approximately $295 million in cash (the "Divestiture"). After customary closing adjustments and transaction costs, the Company received net cash proceeds of approximately $283 million.

The purchase price was determined based on arm's length negotiations. Prior to the Divestiture, there were no material relationships between the Buyer, on the one hand, and the Company or any of its affiliates, directors, officers or any associate of such directors or officers, on the other hand.

The foregoing description of the Purchase Agreement is qualified in its entirety by reference to the full text of the Purchase Agreement, a copy of which is filed as Exhibit 2.1 hereto and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On November 22, 2019, the Company filed a press release announcing the Divestiture and the Dividend (as defined below). A copy of the press release is attached as Exhibit 99.1 to this report and is incorporated by reference herein.

Item 8.01 Other Events.

On November 21, 2019, the Board of Directors of the Company declared a one-time cash distribution of $4.25 per share to shareholders (the "Dividend"). The Dividend will be payable to shareholders of record as of the close of business on December 5, 2019 and will be paid on December 12, 2019.

Item 9.01 Financial Statements and Exhibits.

(b) *Pro forma financial information.*

The pro forma financial information required by this Item 9.01 is filed as Exhibit 99.2 hereto and is incorporated herein by reference. The unaudited pro forma consolidated and combined balance sheet as of September 30, 2019, has been prepared as if the Divestiture occurred on that date. The unaudited pro forma consolidated and combined statements of operations for the year ended December 31, 2018, and the nine months ended September 30, 2019, have been prepared as if the Divestiture occurred on January 1, 2018.

(d) *Exhibits.*

Exhibit Number	Description
2.1	Purchase and Sale Agreement, dated August 28, 2019, by and between Riviera Upstream, LLC and Riviera Operating, LLC, as seller, and Scout Energy Group V LP, as buyer (incorporated by reference to Exhibit 10.1 to Riviera's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019, filed with the SEC on November 7, 2019).
99.1	Press release date November 22, 2019.
99.2	Unaudited pro forma consolidated and combined balance sheet as of September 30, 2019, and unaudited pro forma consolidated and combined statements of operations for the year ended December 31, 2018, and the nine months ended September 30, 2019.
104	Cover Page Interactive Data File (embedded within the 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.

Dated: November 25, 2019

RIVIERA RESOURCES, INC.

By:	/s/ David B. Rottino
Name:	David B. Rottino
Title:	President and Chief Executive Officer

Exhibit 99.1

NEWS RELEASE

RIVIERA RESOURCES ANNOUNCES CASH DISTRIBUTION OF $4.25 PER SHARE; CLOSES THE SALE OF REMAINING HUGOTON PROPERTIES; AND ENTERS AGREEMENT TO SELL UINTA BASIN ASSETS

HOUSTON, November 22, 2019 – Riviera Resources, Inc. (OTCQX: RVRA) ("Riviera" or the "Company") announces its Board of Directors (the "Board") has approved a cash distribution of $4.25 per share, funded with proceeds received from closing on the sale of its interest in properties located in the Hugoton Basin. In addition, the Company has signed a definitive agreement to sell its remaining interests in properties located in the Drunkards Wash field in the Uinta Basin for a contract price of $4.5 million.

Cash Distribution

The Company's Board has approved a cash distribution to shareholders of $4.25 per share. The distribution is payable on December 12, 2019 to all shareholders of record as of the close of business on December 5, 2019. The $4.25 per share distribution represented approximately 34% of the closing price per share on November 21, 2019.

As of November 21, 2019 there were 58,506,335 shares outstanding of the Company's common stock, and 61,162,022 shares eligible to receive distributions[1]. Based on the $4.25 per share distribution, the aggregate cash amount of the distribution is expected to be approximately $260 million.

Asset Sales Update

On November 22, 2019, the Company closed on the previously announced Hugoton Sale for a contract price of $295 million and after customary closing adjustments and transaction costs, the Company received net cash proceeds of approximately $283 million. The net proceeds from the sale are expected to be added to cash on the Company's balance sheet and will be used, in part, to fund the cash distribution of $4.25 per share.

On November 14, 2019, the Company signed a definitive agreement to sell its remaining non-operated interests in properties located in the Drunkards Wash field in the Uinta Basin to an undisclosed buyer for a contract price of $4.5 million, subject to closing adjustments. The Company expects the transaction will close in the first quarter of 2020 and estimates net proceeds of approximately $4 million. This transaction is subject to satisfactory completion of due diligence, as well as the satisfaction of closing conditions.

Distributions to Shareholders

As a C corporation, distributions to common shareholders of current or accumulated earnings and profits are qualified dividends eligible for the 23.8% maximum federal income tax rate, inclusive of the 3.8% Medicare tax rate applicable to net investment income. Any distributions in excess of current or accumulated earnings and profits would be reported as returns of capital instead of qualified dividends. Distributions that are classified as returns of capital are nontaxable to the extent they do not exceed a shareholder's adjusted tax basis in the Company's stock, or as a capital gain to the extent that the amount of the distribution exceeds a shareholder's adjusted tax basis in the Company's stock. As of October 31, 2019 the Company's estimates it will have zero current and accumulated earnings and profits for the tax year ended December 31, 2019. An updated estimate of Riviera's E&P will be provided in connection with publishing Form 8937 (which publication will occur within 45 days of the Distribution).

With the expected elimination of any current and accumulated earnings and profits, the Company reasonably estimates that a cash distribution should not constitute a taxable dividend for U.S. federal income tax purposes. Rather, a cash distribution would generally constitute non-taxable return of capital, and a reduction to the tax basis of each recipient's ownership interest in the Company, with any amount exceeding the holder's basis subject to capital gain treatment.

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1 *Share count includes (i) 58,506,335 shares outstanding of the Company's common stock, (ii) 717,779 restricted stock units of the Company either granted or designated for issuance to certain employees (the "Riviera RSUs"), (iii) and 1,937,908 restricted stock units of the Company either granted or designated for issuance as performance units to certain employees (the "Riviera Performance Shares") that, in the case of the Riviera Performance Shares, vest, if at all, based on the achievement of certain performance conditions specified in the award agreements. To date, none of the performance conditions have been achieved.*

Under the Foreign Investment in Real Property Tax Act (“FIRPTA”), non-U.S. persons who hold (or have held, during a certain measuring period) more than 5% of RVRA stock will be subject to withholding at a 15% rate on the full amount of the distribution. We have asked certain of our large, identifiable holders to certify that they are not subject to withholding under these rules or otherwise made withholding arrangements with such holders. We have not otherwise identified any additional non-U.S. 5% shareholders and do not intend to directly withhold from the distribution to any other holders on the basis of that diligence. However, while withholding under these rules is, under our circumstances, generally performed directly by the distributing company (to the extent withholding is necessary), we cannot guarantee that no intermediary will withhold from the distribution to the extent a particular beneficial holder is unable to demonstrate to the satisfaction of such intermediary that they are not subject to withholding under these rules.

Information regarding tax matters in this press release is for general information purposes only and does not constitute tax advice. Shareholders should consult with their tax advisors as to the specific U.S. federal and state, and non-U.S. tax consequences to such holder related to a return of capital distribution.

ABOUT RIVIERA RESOURCES

Riviera Resources, Inc. is an independent oil and natural gas company with a strategic focus on efficiently operating its mature low-decline assets, developing its growth-oriented assets, and returning capital to its stockholders. Riviera’s properties are located in East Texas, North Louisiana, and Mid-Continent regions. Riviera also owns Blue Mountain Midstream LLC, a midstream company centered in the core of the Merge play in the Anadarko Basin.

Forward-Looking Statements

Statements made in this press release that are not historical facts are “forward-looking statements.” These statements are based on certain assumptions and expectations made by the Company which reflect management’s experience, estimates and perception of historical trends, current conditions, and anticipated future developments. These statements include, among others, statements regarding the return of capital to shareholders, estimates of accumulated earnings and profits, our financial position, business strategy and other plans and objectives for future operations. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or anticipated in the forward-looking statements. These include risks relating to the Company’s financial and operational performance and results, low or declining commodity prices and demand for oil, natural gas and natural gas liquids, ability to hedge future production, ability to replace reserves and efficiently develop current reserves, the capacity and utilization of midstream facilities and the regulatory environment. These and other important factors could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. Please read “Risk Factors” in the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other public filings. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information or future events.

CONTACT:
Riviera Resources, Inc.
Investor Relations
(281) 840-4168
IR@RVRAresources.com

Exhibit 99.2

RIVIERA RESOURCES, INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On November 22, 2019, Riviera Resources, Inc., ("Riviera" or the "Company") completed the sale of its interest in its remaining properties located in the Hugoton Basin ("the Hugoton Basin Assets Sale") to Scout Energy Group V, LP (the "Buyer") under a Purchase and Sale Agreement dated August 28, 2019 (the "Purchase Agreement") for a purchase price of approximately $287 million. During the nine months ended September 30, 2019, the Company recorded a noncash impairment charge of approximately $95 million to reduce the carrying value of these assets to fair value.

In connection with the Hugoton Basin Assets Sale, the Buyer also acquired the Company's interests in Mayzure, LLC ("Mayzure"), including the term overriding royalty interest in helium produced from certain oil and natural gas properties in the Hugoton Basin that Riviera contributed to Mayzure in March 2019 (the "VPP Interests"). On March 20, 2019, Mayzure issued 5.16% senior secured notes in the amount of approximately $82 million, due September 20, 2028 (the "Mayzure Notes"), which are secured by the VPP interests. Neither Riviera, nor any of its subsidiaries other than Mayzure, have guaranteed the Mayzure Notes. In consideration for the distribution of the VPP Interests, Mayzure contributed the net proceeds from the issuance of the Mayzure Notes to Riviera. Financing fees and expenses of approximately $3 million were incurred in connection with the Mayzure Notes. As of September 30, 2019, the Company made repayments of approximately $5 million.

The following unaudited pro forma financial information gives effect to the completion of the Hugoton Basin Assets Sale.

The unaudited pro forma condensed consolidated balance sheet as of September 30, 2019 gives effect to the Hugoton Basin Assets Sale as if it had been completed as of September 30, 2019. The unaudited pro forma condensed consolidated statement of operations for the nine months ended September 30, 2019 and for the year ended December 31, 2018, gives effect to the Hugoton Basin Assets Sale as if it had been completed as of January 1, 2018.

The following unaudited pro forma condensed consolidated financial statements are derived from historical consolidated financial statements of the Company. The unaudited pro forma condensed consolidated financial statements are for informational and illustrative purposes only and are not necessarily indicative of the financial results that would have occurred if the transactions reflected therein had occurred on the dates indicated, nor are such financial statements necessarily indicative of the results of operations in future periods. The pro forma condensed consolidated financial statements do not include realization of cost savings expected to result from such transaction. The assumptions and estimates underlying the adjustments to the unaudited pro forma condensed consolidated financial statements are described in the accompanying notes. The unaudited pro forma condensed consolidated financial information should also be read in conjunction with Riviera's historical financial statements and the notes thereto included in its Annual Report on Form 10-K for the year ended December 31, 2018, and Riviera's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019.

The preparation of the unaudited pro forma condensed consolidated financial information is based on financial statements prepared in accordance with accounting principles generally accepted in the United States of America. These principles require the use of estimates that effect the reported amounts of revenues and expenses. Actual results could differ from those estimates.

The unaudited pro forma condensed consolidated financial information is provided for illustrative purposes only and does not purport to represent what the actual results of operations would have been had the transaction occurred on the respective dates assumed, nor is it necessarily indicative of the Company's future operating results. However, the pro forma adjustments reflected in the accompanying unaudited pro forma condensed financial information reflect estimated and assumptions that the Company's management believes to be reasonable.

RIVIERA RESOURCES, INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
SEPTEMBER 30, 2019
(in thousands, except per share amounts)

	Riviera Resources, Inc. Historical	Pro Forma Adjustments	Riviera Resources, Inc. Pro-Forma
ASSETS			
Current assets:			
Cash and cash equivalents	$ 83,161	$ 286,530 ***(a)***	$ 369,691
Accounts receivable – trade, net	67,156	(10,185) ***(b)***	56,971
Derivative instruments	14,132	—	14,132
Restricted cash	45,757	—	45,757
Other current assets	12,699	—	12,699
Assets held for sale	419,290	(414,428) ***(c)***	4,862
Total current assets	642,195	(138,083)	504,112
Noncurrent assets:			
Oil and natural gas properties (successful efforts method), net	252,177	—	252,177
Other property and equipment, net	406,856	—	406,856
Derivative instruments	1,243	—	1,243
Other noncurrent assets	9,376	—	9,376
Total noncurrent assets	669,652	—	669,652
Total assets	$ 1,311,847	$ (138,083)	$ 1,173,764
LIABILITIES AND EQUITY			
Current liabilities:			
Accounts payable and accrued expenses	$ 104,726	$ (7,894) ***(b)***	$ 96,832
Derivative instruments	4,087	—	4,087
Other accrued liabilities	48,122	—	48,122
Liabilities held for sale	127,023	(127,023) ***(c)***	—
Total current liabilities	283,958	(134,917)	149,041
Noncurrent liabilities:			
Credit facilities	61,100	—	61,100
Asset retirement obligations	52,143	—	52,143
Other noncurrent liabilities	13,210	—	13,210
Total noncurrent liabilities	126,453	—	126,453
Commitments and contingencies			
Equity:			
Preferred Stock, $0.01 par value	—	—	—
Common Stock, $0.01 par value	586	—	586
Additional paid-in capital	1,115,483	—	1,115,483
Retained earnings	(214,633)	(3,166) ***(d)***	(217,799)
Total equity	901,436	(3,166)	898,270
Total liabilities and equity	$ 1,311,847	$ (138,083)	$ 1,173,764

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

RIVIERA RESOURCES, INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
NINE MONTHS ENDED SEPTEMBER 30, 2019
(in thousands, except per share amounts)

	Riviera Resources, Inc. Historical	Pro Forma Adjustments	Riviera Resources, Inc. Pro-Forma
Revenues and other:			
Oil, natural gas and natural gas liquids sales	$ 194,131	$ (68,574) ***(e)***	$ 125,557
Gains on commodity derivatives	12,673	—	12,673
Marketing revenues	166,569	(42,962) ***(e)(f)***	123,607
Other revenues	16,685	(15,569) ***(e)***	1,116
	390,058	(127,104)	262,954
Expenses:			
Lease operating expenses	66,204	(18,439) ***(e)***	47,765
Transportation expenses	53,478	(38,232) ***(e)***	15,246
Marketing expenses	132,888	(33,533) ***(e)***	99,355
General and administrative expenses	49,434	—	49,434
Exploration costs	4,154	—	4,154
Depreciation, depletion and amortization	65,013	(23,223) ***(g)***	41,790
Impairment of assets held for sale	113,470	(95,000) ***(h)***	18,470
Taxes, other than income taxes	14,010	(7,933) ***(e)***	6,077
Gains on sale of assets and other, net	(24,967)	—	(24,967)
	473,684	(216,360)	257,324
Other income and (expenses):			
Interest expense, net of amounts capitalized	(5,403)	2,512 ***(i)***	(2,891)
Other, net	(708)	14 ***(i)***	(694)
	(6,111)	2,526	(3,585)
Reorganization items, net	(756)	—	(756)
(Loss) income before income taxes	(90,493)	91,782	1,289
Income tax expense	129,092	(10,633) ***(j)***	118,459
Net loss	$ (219,585)	$ 102,415	$ (117,170)
Net loss per share - Basic	$ (3.40)		$ (1.81)
Net loss per share - Diluted	$ (3.40)		$ (1.81)
Weighted average shares outstanding - Basic	64,576		64,576
Weighted average shares outstanding - Diluted	64,576		64,576

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

RIVIERA RESOURCES, INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 2018
(in thousands, except per share amounts)

	Riviera Resources, Inc. Historical	Pro Forma Adjustments	Riviera Resources, Inc. Pro-Forma
Revenues and other:			
Oil, natural gas and natural gas liquids sales	$ 420,102	$ (138,293) ***(e)***	$ 281,809
Losses on commodity derivatives	(23,404)	—	(23,404)
Marketing revenues	245,081	(100,002) ***(e)***	145,079
Other revenues	23,880	(20,876) ***(e)***	3,004
	665,659	(259,171)	406,488
Expenses:			
Lease operating expenses	120,097	(23,929) ***(e)***	96,168
Transportation expenses	83,562	(50,086) ***(e)***	33,476
Marketing expenses	220,971	(88,611) ***(e)***	132,360
General and administrative expenses	245,291	—	245,291
Exploration costs	5,178	—	5,178
Depreciation, depletion and amortization	94,958	(32,041) ***(g)***	62,917
Impairment of long-lived assets	15,697	—	15,697
Taxes, other than income taxes	29,730	(12,208) ***(e)***	17,522
Gains on sale of assets and other, net	(208,598)	—	(208,598)
	606,886	(206,875)	400,011
Other income and (expenses):			
Interest expense, net of amounts capitalized	(2,417)	—	(2,417)
Other, net	(677)	—	(677)
	(3,094)	—	(3,094)
Reorganization items, net	(5,159)	—	(5,159)
Income (loss) from continuing operations before income taxes	50,520	(52,296)	(1,776)
Income tax expense	29,587	(12,635) ***(k)***	16,952
Income (loss) from continuing operations	20,933	(39,661)	(18,728)
Income from discontinued operations, net of income taxes	19,674	—	19,674
Net income	$ 40,607	$ (39,661)	$ 946
Income (loss) per share:			
Income (loss) from continuing operations per share - Basic	$ 0.28		$ (0.25)
Income (loss) from continuing operations per share - Diluted	$ 0.28		$ (0.25)
Income from discontinued operations per share - Basic	$ 0.26		$ 0.26
Income from discontinued operations per share - Diluted	$ 0.26		$ 0.26
Net income per share - Basic	$ 0.54		$ 0.01
Net income per share - Diluted	$ 0.54		$ 0.01
Weighted average shares outstanding Basic	74,935		74,935
Weighted average shares outstanding Diluted	75,360		75,360

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Historical Riviera Resources, Inc.

These amounts represent the Company's condensed consolidated historical balance sheet and statements of operations. Amounts as of September 30, 2019 and for the nine months ended September 30, 2019, were derived from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2019. Amounts for the year ended December 31, 2018, were derived from the Company's Annual Report on Form 10-K for the year ended December 31, 2018.

The historical consolidated financial statements have been adjusted in the unaudited pro forma condensed consolidated financial statements to give effect to pro forma events that are (i) directly attributable to the transaction, (ii) factually supportable and (iii) with respect to the unaudited pro forma condensed consolidated statements of operations, expected to have a continuing impact on the results following the transactions and events.

Pro Forma Adjustments

(a) Amount represents cash proceeds received of approximately $287 million.

(b) Reflects the elimination of outstanding accounts receivable – trade, net and accounts payable and accrued expenses.

(c) The assets and liabilities associated with the Hugoton Basin Assets Sale were classified as "held for sale" on the historical condensed consolidated balance sheet at September 30, 2019.

The following table presents carrying amounts of the assets and liabilities of the Company's properties classified as held for sale on the historical condensed consolidated balance sheet:

	September 30, 2019 (in thousands)
Assets:	
Oil and natural gas properties	$ 328,014
Other property and equipment	169,164
Other	12,250
Less impairment	(95,000)
Total assets held for sale	$ 414,428
Liabilities:	
Asset retirement obligations	$ 38,117
Mayzure notes payable, net	74,030
Other	14,876
Total liabilities held for sale	$ 127,023

(d) Amount represents additional impairment recorded on the Hugoton Basin Assets Sale due to the change in the purchase price from September 30, 2019 to closing.

(e) Reflects the elimination of revenues and direct operating expenses associated with the Hugoton Basin Assets Sale.

(f) Reflects the elimination of revenues including helium revenues from the VPP Interests.

(g) Reflects a reduction of depreciation, depletion and amortization expense as a result of the Hugoton Basin Assets Sale.

(h) Reflects the noncash impairment charge recorded to reduce the carrying value of these assets to fair value.

(i) Reflects the elimination of interest expense and interest income associated with the Mayzure Notes.

**NOTES TO UNAUDITED PRO FORMA CONDENSED
CONSOLIDATED FINANICAL STATEMENTS - Continued**

(j) Reflects the elimination of income tax expense associated with recording a full valuation allowance against Hugoton deferred tax assets.

(k) Riviera used the effective tax rate to determine the pro forma adjustments due to the Hugoton Basin Assets Sale.