

Report of Organizational Actions
Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
<u>Northern Oil and Gas, Inc.</u>		<u>95-3848122</u>	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
<u>Chad Allen</u>	<u>952-476-9800</u>	<u>callen@northernoil.com</u>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
<u>601 Carlson Parkway, Suite 990</u>		<u>Minnetonka MN 55305</u>	
8 Date of action		9 Classification and description	
<u>September 18, 2020</u>		<u>See attached</u>	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
<u>665531307</u>			

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ [See attached.](#)

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ [See attached.](#)

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ [See attached.](#)

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attached.](#)

18 Can any resulting loss be recognized? ▶ [See attached.](#)


19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attached.](#)

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 11/30/20

Print your name ▶ Chad Allen Title ▶ Chief Financial Officer

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>Thomas Allen</u>		<u>11/30/2020</u>		<u>P01265333</u>
	Firm's name ▶ <u>RSM US LLP</u>	Firm's address ▶ <u>1330 Post Oak BLVD, Suite 2400, Houston, TX 77056</u>		Firm's EIN ▶ <u>42-0714325</u>	Phone no. <u>713.625.3500</u>

Northern Oil and Gas, Inc.
EIN: 95-3848122
Attachment to Form 8937
Report of Organizational Actions Affecting Basis of Securities

The information contained in Form 8937 and this attachment does not constitute tax advice and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences of the exchange transactions described herein. In addition, this information does not address tax consequences that may vary depending on the particular circumstances of holders of our stock that participated in an exchange transaction, or any non-income tax or any foreign, state or local tax consequences of an exchange transaction. Accordingly, holders of our stock or notes that participated in a transaction described herein are urged to consult with their own tax advisors to determine the particular U.S. federal, state, local or foreign income or other tax consequences to them of the transaction.

Part I

Lines 9 and 10. The requested information is as follows:

Northern Oil and Gas, Inc. Common Stock, CUSIP: 665531307 (the "Common Stock")

Part II

Line 14. Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action:

As of 11:59 p.m. on September 18, 2020, Northern Oil and Gas, Inc. effected a 1-for-10 reverse stock split (the "Reverse Stock Split") for its issued and outstanding shares of Common Stock. As a result of the Reverse Stock Split, every 10 shares of the Company's issued and outstanding Common Stock automatically converted into one share of Common Stock, without any change in the par value per share. No fractional shares were outstanding following the Reverse Stock Split. In lieu of any fractional share, any holder of less than one share of Common Stock received cash for such holder's fractional share.

Line 15. Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:

Upon the effective date of the Reverse Stock Split, every ten shares of Common Stock of Northern Oil and Gas, Inc. automatically converted into one share of Common Stock. As a result, shareholders must allocate the aggregate tax basis in their shares held immediately prior to the Reverse Stock Split among the shares held immediately after the Reverse Stock Split. After the Reverse Stock Split, a shareholder's tax basis in one share of Common Stock will generally equal ten times the tax basis such shareholder had in one share of Common Stock prior to the Reverse Stock Split. Shareholders that acquired different blocks of Common Stock at different times or at different prices are urged to consult their own tax advisors regarding the allocation of their aggregated adjusted basis among, and the holding period of, that Common Stock.

As noted above, some holders received cash in lieu of fractional shares. Rev. Rul. 69-34, 1969-1 CB 105, addressed cash payments accompanying a section 368(a)(1)(E) reorganization (a recapitalization) where the cash was paid in lieu of fractional shares as "a mechanical rounding off of the fractions in the exchange... not a separately bargained-for consideration." The IRS stated that such payments should be tested under section 302 of the Code. As such, the cash in lieu would be treated as payment in exchange for the recipient's fractional share of stock.

Accordingly, a shareholder who receives cash payment in lieu of a fractional share would generally recognize capital gain or loss equal to the difference between the amount of cash received in lieu of the fractional share and the portion of the holder's tax basis of the pre-Reverse Stock Split shares that is allocable to the fractional share. The amount of basis (if any) allocable by a shareholder to the fractional share exchanged for cash-in-lieu would depend on the number of shares (and number of lots of shares, if applicable) held by the particular shareholder.

Line 16. Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates:

See answer to Line 15 above. While the basis "per share" is impacted, the basis of the shareholder's total investment remains unchanged. Because no fractional shares were issued, the aggregate tax basis of Northern Oil and Gas, Inc. Common Stock held by a shareholder immediately after the Reverse Stock Split could be less than the pre-split aggregate tax basis by an amount equal to the aggregate tax basis allocated to the fractional shares, if any.

Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based:

354, 356, 358, 368(a)(1)(E), 1001

Line 18. Can any resulting loss be recognized?

The Reverse Stock Split is intended to be treated as a recapitalization under section 368(a)(1)(E) of the Internal Revenue Code of 1986, as amended (the "Code"). Therefore, except as described below with respect to cash received in lieu of a fractional share, a shareholder will not recognize any gain or loss for U.S. federal income tax purposes upon the conversion of pre-Reverse Stock Split shares into post-Reverse Stock Split shares pursuant to the Reverse Stock Split.

As noted in the answer to Line 15 above, a shareholder who receives cash payment in lieu of a fractional share will generally recognize capital gain or loss equal to the difference between the amount of cash received in lieu of the fractional share and the portion of the holder's tax basis of the pre-Reverse Stock Split shares that is allocable to the fractional share. Such gain or loss generally will be long-term capital gain or loss if the shareholder's holding period in its pre-Reverse Stock Split shares is more than one year as of the Reverse Stock Split date. The deductibility of capital losses is subject to limitations.

Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year:

The tax consequences of the Reverse Stock Split should be reported by each Common Stock shareholder in such Common Stock shareholder's tax year that includes the date of September 18, 2020.

