SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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SCHEDULE 13D

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULE 13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
RULE 13d-2(a)

Under the Securities Exchange Act of 1934
(Amendment No. )

Laredo Petroleum, Inc.

(Name of Issuer)

Common Stock, par value $0.01 per share

(Title of Class of Securities)

516806106

(CUSIP Number)

Kathlyne Kiaie
c/o SailingStone Capital Partners LLC
One California Street, 30th Floor
San Francisco, California 94111
(415) 429-5178

*with a copy to:*

Marc Weingarten, Esq.
Aneliya Crawford, Esq.
Schulte Roth & Zabel LLP
919 Third Avenue
New York, New York 10022
(212) 756-2000

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

February 14, 2019

(Date of Event which Requires
Filing of this Schedule)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. ý

**NOTE:** Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

(Continued on following pages)



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The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

| | | | |
|---|---|---|---|
| **1** | NAME OF REPORTING PERSON<br>SailingStone Capital Partners LLC | | |
| **2** | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP | | (a) ☐<br>(b) ☐ |
| **3** | SEC USE ONLY | | |
| **4** | SOURCE OF FUNDS<br>OO | | |
| **5** | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) | | ☐ |
| **6** | CITIZENSHIP OR PLACE OF ORGANIZATION<br>Delaware | | |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | **7** | SOLE VOTING POWER<br>37,661,962 | |
| | **8** | SHARED VOTING POWER<br>0 | |
| | **9** | SOLE DISPOSITIVE POWER<br>37,661,962 | |
| | **10** | SHARED DISPOSITIVE POWER<br>0 | |
| **11** | AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH PERSON<br>37,661,962 | | |
| **12** | CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES | | ☐ |
| **13** | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)<br>16.10% | | |
| **14** | TYPE OF REPORTING PERSON<br>IA | | |

| | | | |
|---|---|---|---|
| **1** | NAME OF REPORTING PERSONS<br>SailingStone Holdings LLC | | |
| **2** | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP | | (a) ☐<br>(b) ☐ |
| **3** | SEC USE ONLY | | |
| **4** | SOURCE OF FUNDS<br>OO | | |
| **5** | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) | | ☐ |
| **6** | CITIZENSHIP OR PLACE OF ORGANIZATION<br>Delaware | | |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | **7** | SOLE VOTING POWER<br>0 | |
| | **8** | SHARED VOTING POWER<br>37,661,962 | |
| | **9** | SOLE DISPOSITIVE POWER<br>0 | |
| | **10** | SHARED DISPOSITIVE POWER<br>37,661,962 | |
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| **12** | CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES | | ☐ |
| **13** | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)<br>16.10% | | |
| **14** | TYPE OF REPORTING PERSON<br>HC | | |

| | | | |
|---|---|---|---|
| **1** | NAME OF REPORTING PERSONS<br>MacKenzie B. Davis | | |
| **2** | CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP | | (a) ☐<br>(b) ☐ |
| **3** | SEC USE ONLY | | |
| **4** | SOURCE OF FUNDS<br>OO | | |
| **5** | CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDING IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) | | ☐ |
| **6** | CITIZENSHIP OR PLACE OF ORGANIZATION<br>United States | | |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | **7** | SOLE VOTING POWER<br>0 | |
| | **8** | SHARED VOTING POWER<br>37,661,962 | |
| | **9** | SOLE DISPOSITIVE POWER<br>0 | |
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| **13** | PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) (see Item 5)<br>16.10% | | |
| **14** | TYPE OF REPORTING PERSON<br>HC; IN | | |

<table>
<tr><td>1</td><td colspan="2">NAME OF REPORTING PERSONS<br>Kenneth L. Settles Jr.</td></tr>
<tr><td>2</td><td colspan="2">CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) ☐ (b) ☐</td></tr>
<tr><td>3</td><td colspan="2">SEC USE ONLY</td></tr>
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</table>

**Item 1. SECURITY AND ISSUER**

This statement on Schedule 13D (the "Schedule 13D") relates to the shares of common stock, par value $0.01 per share (the "Common Stock"), of Laredo Petroleum, Inc., a Delaware corporation (the "Issuer"). The address of the principal executive offices of the Issuer is 15 W. Sixth Street, Suite 900, Tulsa, Oklahoma 74119.

**Item 2. IDENTITY AND BACKGROUND**

This statement is being jointly filed by: (i) SailingStone Capital Partners LLC, a Delaware limited liability company ("SailingStone") registered as an investment adviser with the U.S. Securities and Exchange Commission (the "SEC"); (ii) SailingStone Holdings LLC, a Delaware limited liability company ("SailingStone Holdings"), which is the general partner of SailingStone GP LP, which is a Delaware limited partnership that serves as managing member of SailingStone; (iii) MacKenzie B. Davis, a United States citizen who is a managing member of SailingStone Holdings and a control person of SailingStone and SailingStone Holdings ("Davis"); and (iv) Kenneth L. Settles Jr., a United States citizen who is a managing member of SailingStone Holdings and a control person of SailingStone and SailingStone Holdings ("Settles") (SailingStone, SailingStone Holdings, Davis and Settles are sometimes also referred to herein individually as a "Reporting Person" and collectively as the "Reporting Persons"). Further information regarding the identity and background of certain of the Reporting Persons is set forth in Exhibit B which is attached hereto and is incorporated herein by reference.

During the last five (5) years, none of the Reporting Persons, nor, to the best knowledge of the Reporting Persons, any of their respective executive officers, their respective managing members or any persons controlling their respective managing members has: (1) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (2) been party to a civil proceeding of a judicial or administrative body of competent jurisdiction and, as a result of such proceeding, was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

The address of the business office of each of the Reporting Persons is One California Street, 30th Floor, San Francisco, California 94111.

**Item 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION**

The shares of Common Stock reported herein as being beneficially owned by the Reporting Persons were acquired by SailingStone directly acting solely on behalf of its investment advisory clients. SailingStone has purchased a total of 37,661,962 shares of Common Stock in open-market purchases for an aggregate consideration of approximately $403,886,403 (exclusive of brokerage commissions). To the best knowledge of the Reporting Persons, the funds used in such purchases were from SailingStone's available investment capital and none of the consideration for such shares of Common Stock was represented by borrowed funds.

**Item 4. PURPOSE OF THE TRANSACTION**

The Reporting Persons acquired the shares of Common Stock to which this Schedule 13D relates for investment purposes in the ordinary course of business. The Reporting Persons acquired the shares of Common Stock because they believed that the shares of Common Stock reported herein, when purchased, represented an attractive investment opportunity.

The Reporting Persons and their representatives have, from time to time, engaged in, and intend to continue to engage in, discussions with members of management and the board of directors of the Issuer (the "Board"), other shareholders, industry analysts, existing or potential strategic partners or competitors and other third parties regarding a variety of matters relating to the Issuer, which may include, among other things, the Issuer's business, operations and expenses, strategic alternatives and direction, management, Board composition, and capital structure and allocation, and may take other steps seeking to bring about changes to increase shareholder value as well as pursue other plans or proposals that relate to or could result in any of the matters set forth in clauses (a)-(j) of Item 4 of Schedule 13D.

On February 14, 2019, the Reporting Persons delivered to the Board a letter and presentation advising the Issuer that it should, among other things, (1) reduce its general and administrative expenses, which the Reporting Persons believe are excessive, by at least 50%, (2) transition to wider spacing between its wells and eliminate all non-productive capital spending and (3) formulate a reasonable business plan which includes the return of capital to shareholders and align management compensation with the realization of that plan. The Reporting Persons also called on the Issuer to evaluate strategic alternatives, including potential mergers or sales, to enhance value and return capital to the shareholders. The letter and presentation are attached hereto as Exhibits D and E, respectively, and are incorporated herein by reference.

The Reporting Persons intend to review their investment in the Issuer on a continuing basis. Depending on various factors, including, without limitation, the outcome of any discussions referenced above, the Issuer's financial position, results and strategic direction, actions taken by the Issuer's management and the Board, price levels of the shares of Common Stock, other investment opportunities available to the Reporting Persons, conditions in the securities market and general economic and industry conditions, the Reporting Persons may in the future take such actions with respect to their investment in the Issuer as they deem appropriate, including, without limitation, exchanging information with the Issuer pursuant to appropriate confidentiality or similar agreements; acquiring additional shares of Common Stock and/or other equity, debt, notes, instruments or other securities of the Issuer (collectively, the "Securities") or disposing of some or all of the Securities beneficially owned by them, in public market or privately negotiated transactions; entering into financial instruments or other agreements that increase or decrease the Reporting Persons' economic exposure with respect to their investment in the Issuer and/or otherwise changing their intention with respect to any and all matters referred to in Item 4 of Schedule 13D.

**Item 5. INTEREST IN SECURITIES OF THE ISSUER**

The aggregate percentage of shares of Common Stock reported to be beneficially owned by the Reporting Persons is based upon 233,882,020 shares of Common Stock reported to be outstanding as of November 1, 2018, as reported in the Issuer's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018, filed by the Issuer with the SEC on November 6, 2018.

As of the date hereof, the Reporting Persons collectively may be deemed to beneficially own 37,661,962 shares of Common Stock, which represents 16.10% of the outstanding shares of Common Stock. The number of shares of Common Stock which may be deemed to be beneficially owned by the Reporting Persons are as follows:

| | Shares Deemed to be Beneficially Owned By: | Nature of Ownership | Percentage of Class |
|---|---|---|---|
| (A) | SailingStone: 37,661,962 | Sole Voting and Sole Dispositive Power (1) | 16.10% |
| (B) | SailingStone Holdings: 37,661,962 | Shared Voting and Shared Dispositive Power (2) | 16.10% |
| (C) | Davis: 37,661,962 | Shared Voting and Shared Dispositive Power (3) | 16.10% |
| (D) | Settles: 37,661,962 | Shared Voting and Shared Dispositive Power (4) | 16.10% |

___________________

(1) Such shares of Common Stock are owned by investment advisory clients of SailingStone. By reason of its investment advisory relationship with such clients, SailingStone is deemed to have sole voting and sole dispositive power over such shares of Common Stock. The economic interest in such shares of Common Stock is held by such clients.

(2) Because SailingStone Holdings is the general partner of SailingStone GP LP which serves as managing member of SailingStone, SailingStone Holdings could be deemed to share the power to vote and dispose or direct the disposition of such shares of Common Stock.

(3) Because Davis is a managing member of SailingStone Holdings and a control person of SailingStone Holdings and SailingStone, he could be deemed to share the power to vote and dispose or direct the disposition of such shares of Common Stock.

(4) Because Settles is a managing member of SailingStone Holdings and a control person of SailingStone Holdings and SailingStone, he could be deemed to share the power to vote and dispose or direct the disposition of such shares of Common Stock.

TRANSACTIONS

Information regarding transactions in the shares of Common Stock that have been effected by the Reporting Persons during the last sixty (60) days are set forth in Exhibit C which is attached hereto and is incorporated herein by reference.

No person other than the Reporting Persons are known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, such shares of Common Stock.

**Item 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER**

The Reporting Persons are parties to an agreement with respect to the joint filing of this Schedule 13D and any amendments thereto. A copy of such agreement is attached hereto as Exhibit A and is incorporated herein by reference. Other than the joint filing agreement, there are no contracts, arrangements, understandings or relationships among the Reporting Persons or between the Reporting Persons and any other person with respect to the Securities.

**Item 7. MATERIAL TO BE FILED AS EXHIBITS**

Exhibit A – Joint Filing Agreement of the Reporting Persons
Exhibit B – Officers and Control Persons of the Reporting Persons
Exhibit C – Transactions in the Securities of the Issuer During the Past Sixty Days by the Reporting Persons
Exhibit D – Letter
Exhibit E – Presentation

**SIGNATURES**

After reasonable inquiry and to the best of my knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: February 14, 2019

SailingStone Capital Partners LLC*

By: /s/ Kathlyne Kiaie
Name: Kathlyne Kiaie
Title: Chief Compliance Officer

SailingStone Holdings LLC*

By: /s/ MacKenzie B. Davis
Name: MacKenzie B. Davis
Title: Managing Member

MacKenzie B. Davis*

By: /s/ MacKenzie B. Davis
Name: MacKenzie B. Davis

Kenneth L. Settles Jr.*

By: /s/ Kenneth L. Settles Jr.
Name: Kenneth L. Settles Jr.

* The Reporting Persons disclaim beneficial ownership in the shares of Common Stock represented herein except to the extent of their pecuniary interest therein.

**EXHIBIT A**

JOINT FILING AGREEMENT OF THE REPORTING PERSONS

**WHEREAS**, in accordance with Rule 13d-1(k)(1) under the Securities and Exchange Act of 1934 (the "Act"), only one joint statement and any amendments thereto need to be filed whenever one or more persons are required to file such a statement or any amendments thereto pursuant to Section 13(d) of the Act with respect to the same securities, provided that said persons agree in writing that such statement or amendments thereto is filed on behalf of each of them:

**NOW, THEREFORE**, the parties hereto agree as follows:

SailingStone Capital Partners LLC, SailingStone Holdings LLC, MacKenzie B. Davis and Kenneth L. Settles Jr., do hereby agree, in accordance with Rule 13d-1(k)(1) under the Act, to file a statement on Schedule 13D relating to their ownership of the Common Stock of the Issuer, and do hereby further agree that said statement on Schedule 13D shall be filed on behalf of each of them.

Dated: February 14, 2019

SailingStone Capital Partners LLC

By: /s/ Kathlyne Kiaie
Name: Kathlyne Kiaie
Title: Chief Compliance Officer

SailingStone Holdings LLC

By: /s/ MacKenzie B. Davis
Name: MacKenzie B. Davis
Title: Managing Member

MacKenzie B. Davis

By: /s/ MacKenzie B. Davis
Name: MacKenzie B. Davis

Kenneth L. Settles Jr.

By: /s/ Kenneth L. Settles Jr.
Name: Kenneth L. Settles Jr.

**EXHIBIT B**

OFFICERS AND CONTROL PERSONS OF THE REPORTING PERSONS

Except where otherwise noted, each of the individuals named below is a citizen of the United States with a principal business address as indicated below.

A. SailingStone Capital Partners LLC

SailingStone Capital Partners LLC is an investment adviser organized as a limited liability company under the laws of the State of Delaware. Its address is:

1 California Street, Suite 3050
San Francisco, California 94111

The officers of SailingStone Capital Partners LLC are:

| Name | Title |
|---|---|
| Kathlyne K. Kiaie | Chief Compliance Officer |
| James E. Klescewski | Chief Financial Officer |

SailingStone GP LP, a Delaware limited partnership, is the managing member of SailingStone Capital Partners LLC. SailingStone Holdings LLC, a Delaware limited liability company is the general partner of SailingStone GP LP. MacKenzie B. Davis and Kenneth L. Settles Jr. are the managing members of SailingStone Holdings LLC and are deemed to be control persons of SailingStone Capital Partners LLC.

B. SailingStone Holdings LLC

SailingStone Holdings LLC is an entity organized under the laws of the State of Delaware. Its address is:

1 California Street, Suite 3050
San Francisco, California 94111

MacKenzie B. Davis and Kenneth L. Settles Jr. are the managing members of SailingStone Holdings LLC and are deemed to be control persons of SailingStone Holdings LLC.

**EXHIBIT C**

TRANSACTIONS IN THE SECURITIES OF THE ISSUER DURING THE
PAST SIXTY DAYS BY THE REPORTING PERSONS

No transactions in the shares of Common Stock have been effected by the Reporting Persons or to the best knowledge of the Reporting Persons, by any executive officer, director, managing member, affiliate or subsidiary of any of the Reporting Persons during the last sixty (60) days except the following transactions, each of which was made in a broker's transaction in the open market:

| Reporting Person | Sale/Purchase | Date | No. of Shares | Average Price Per Share |
|---|---|---|---|---|
| SailingStone | Sale | 12/20/2018 | 246,441 | $3.37 |
| SailingStone | Purchase | 12/20/2018 | 300,000 | $3.41 |
| SailingStone | Sale | 12/21/2018 | 402,500 | $3.36 |
| SailingStone | Purchase | 12/21/2018 | 20,000 | $3.36 |
| SailingStone | Purchase | 12/24/2018 | 76,760 | $3.14 |
| SailingStone | Sale | 12/26/2018 | 450,373 | $3.47 |
| SailingStone | Sale | 12/27/2018 | 317,600 | $3.66 |
| SailingStone | Sale | 12/28/2018 | 175,000 | $3.63 |
| SailingStone | Sale | 12/31/2018 | 129,300 | $3.64 |
| SailingStone | Purchase | 01/02/2019 | 46,812 | $3.53 |
| SailingStone | Purchase | 01/03/2019 | 25,000 | $3.54 |
| SailingStone | Sale | 01/03/2019 | 12,780 | $3.61 |
| SailingStone | Sale | 01/04/2019 | 4,090 | $3.88 |
| SailingStone | Sale | 01/07/2019 | 433,134 | $4.11 |
| SailingStone | Purchase | 01/09/2019 | 98,000 | $4.15 |
| SailingStone | Purchase | 01/10/2019 | 50,000 | $4.09 |
| SailingStone | Purchase | 01/11/2019 | 29,058 | $4.01 |
| SailingStone | Sale | 01/14/2019 | 35,600 | $4.08 |
| SailingStone | Sale | 01/16/2019 | 237,884 | $4.04 |
| SailingStone | Sale | 01/18/2019 | 200,000 | $3.76 |
| SailingStone | Purchase | 01/18/2019 | 24,690 | $3.72 |
| SailingStone | Sale | 01/23/2019 | 200,000 | $3.57 |
| SailingStone | Sale | 01/24/2019 | 35,770 | $3.58 |
| SailingStone | Purchase | 02/01/2019 | 125,000 | $3.88 |
| SailingStone | Purchase | 02/04/2019 | 175,000 | $3.83 |
| SailingStone | Purchase | 02/05/2019 | 53,469 | $3.89 |

February 14, 2019

Board of Directors
Laredo Petroleum
15 W. Sixth Street, Suite 900
Tulsa, OK 74119

Dear Members of the Board,

As you are aware, SailingStone Capital Partners has been a large shareholder of Laredo Petroleum ("Laredo" or the "Company") for more than seven years, dating back to the IPO of the Company. During that period of time, Laredo shares have meaningfully underperformed its peers despite the Company's attractive asset base and its early-mover advantage in the Midland Basin. Today, Laredo shares trade close to the value of its proved developed producing reserves, implying that the Company's undeveloped acreage is worthless under the current development program. We believe that this perception is the result of poor capital allocation decisions and, emphatically, ***not*** the quality of the rock. In fact, we believe that simple changes to the Company's business plan – let's call it Shale 2.0 – would support an intrinsic value of $8-12 per share at the current futures strip, more than 2-3 times where the stock is trading today.

After conducting an extensive analysis of more than 1,500 wells drilled in the Midland Basin, we believe that Laredo's well-level returns, when drilled at appropriate spacing, compare favorably with its Midland Basin peers. While the Company's wells exhibit higher gas-oil-ratios and slightly lower oil estimated ultimate recoveries (EURs) than other operators in the basin, Laredo's much lower capital and operating costs and higher natural gas liquids and natural gas EURs allow the Company to generate project returns that are in-line with the Midland Basin average, when the asset is developed properly.

Unfortunately, the value creation that should be supported by the Company's asset base has not been realized by shareholders. The Company's below-average returns on capital at the corporate level, limited debt-adjusted, per-share (DAPS) growth, and lack of free cash flow generation have been driven by a series of poor capital allocation decisions over the last few years, including 1) drilling development wells too closely together, 2) carrying excessively high G&A costs, and 3) spending too much non-productive capital on science and testing. We believe that shareholder returns would have been much better if Laredo had allocated capital to maximize returns and free cash flow, as opposed to net present value.

While these mistakes have come at a significant cost to shareholders, the good news is that steps can be taken by the Board and management to finally realize the value of Laredo's assets. In light of the material underperformance of Laredo shares, and the underlying asset quality of the Company, we ask the Board to make the following changes immediately.

First, we ask the Board to right-size the Company. Laredo's G&A costs are unnecessarily high given the scale of the Company's operations and the failure of its investment in the "Earth Model." The Company's G&A costs are currently running at more than $30MM per rig, compared with Permian Basin peers which operate at closer to $10-20MM per rig. Even more troubling is the fact that the Company's G&A costs now represent more than 11% of Laredo's current market capitalization, compared with peers at just 1-3%. We believe that the Company's G&A costs should be reduced by at least 50% to be competitive with its peers. This action alone would increase the free cash flow yield by 4-5% per year.

Second, we ask the Board to allocate capital to maximize returns on capital and to prioritize free cash flow generation and the return of capital to shareholders. By simply drilling at 4-5 wells per section, Laredo can increase its oil EURs by more than 40% and reduce the decline rates of its wells, allowing the Company to grow oil production at a higher rate with less capital. In addition to drilling wells at wider spacing, we believe that the Company should eliminate all non-productive capital spending. These changes would support a more capital efficient drilling program, leading to higher returns, better DAPS growth, and more free cash flow.

Third, the Company needs to lay out a reasonable business plan and align management compensation with the realization of that plan. According to our analysis, the reduction in G&A costs, the transition to wider spacing, and the elimination of unproductive capital spending would allow Laredo to grow oil production by roughly 10% per year while generating $50-100MM in free cash flow annually at the current futures strip over the next several years. This represents a free cash flow yield of 6-12% at the current share price and annual DAPS growth of roughly 10-15%. Importantly, the free cash flow could be used to further enhance shareholder returns by reducing leverage, buying back shares, and initiating a meaningful dividend. As part of the business plan, we believe that the Board should create and communicate the framework that will be used to determine how capital will returned to shareholders going forward.

In addition to implementing this plan, we ask the Board to evaluate strategic alternatives, including potential mergers or sales, that can accelerate the realization of the value inherent in the Company's assets as well as the potential return of capital to Laredo shareholders. We believe in the benefits of scale. Today, there are too many sub-scale E&P companies, like Laredo, that have good assets and high-return drilling locations, but are unable to realize the value of their assets due to their high G&A costs, high corporate decline rates, and lack of financial discipline. Given the Company's large, contiguous acreage position and high-return drilling inventory, we believe that Laredo would be attractive to those companies that want to add inventory in the Midland Basin, particularly once the Company's capital allocation issues have been resolved.

We look forward to your response and are happy to discuss with the Company any points outlined in this letter and our presentation.

Sincerely,

Ken Settles
Managing Partner

MacKenzie Davis
Managing Partner

Exhibit E

LAREDO PETROLEUM

# Laredo Petroleum: SailingStone's Views & Recommendations

February 2019

SAILINGSTONE CAPITAL PARTNERS LLC

# Important Information

THIS PRESENTATION AND THE VIEWS EXPRESSED HEREIN ARE ONLY TO BE USED TO PROVIDE GENERAL INFORMATION AND TO FOSTER DISCUSSION BETWEEN SAILINGSTONE CAPITAL PARTNERS LLC ("SAILINGSTONE") AND LAREDO PETROLEUM, INC. (THE "COMPANY") AND ARE NOT INTENDED TO BE USED BY THE COMPANY OR ANY THIRD PARTY IN CONNECTION WITH ANY OTHER COMMUNICATION. THIS PRESENTATION MAY NOT BE REPRODUCED WITHOUT THE PRIOR WRITTEN PERMISSION FROM SAILINGSTONE. THIS PRESENTATION AND THE VIEWS EXPRESSED HEREIN DO NOT HAVE REGARD TO THE SPECIFIC INVESTMENT OBJECTIVE, FINANCIAL SITUATION, SUITABILITY, OR THE PARTICULAR NEED OF ANY SPECIFIC PERSON WHO MAY RECEIVE THIS PRESENTATION, AND SHOULD NOT BE TAKEN AS ADVICE ON THE MERITS OF ANY INVESTMENT DECISION. THE VIEWS EXPRESSED HEREIN REPRESENT THE CURRENT OPINIONS AS OF THE DATE HEREOF OF SAILINGSTONE AND ARE DERIVED FROM PUBLICLY AVAILABLE INFORMATION AND THE ANALYSIS OF SAILINGSTONE REGARDING THE COMPANY. CERTAIN FINANCIAL INFORMATION AND DATA USED HEREIN HAVE BEEN DERIVED OR OBTAINED, WITHOUT INDEPENDENT VERIFICATION, FROM PUBLIC FILINGS, INCLUDING FILINGS MADE BY THE COMPANY WITH THE SECURITIES AND EXCHANGE COMMISSION ("SEC"), AND OTHER SOURCES.

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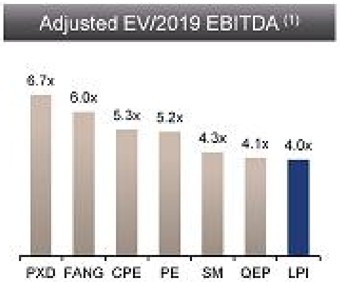
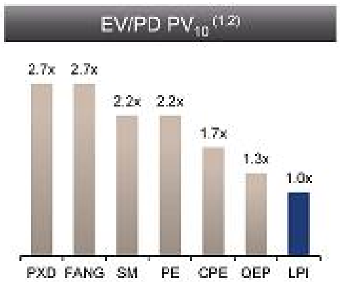
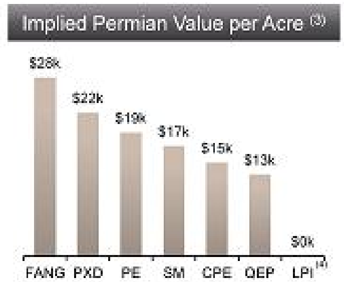
# I. Executive Summary

# Laredo Materially Undervalued Due to Poor Capital Allocation

- Laredo's current valuation implies their undeveloped acreage is worthless, which is inconsistent with our 1,500+ well Wolfcamp analysis
- We attribute the depressed valuation to poor capital allocation decisions as opposed to asset quality
- **We believe that Laredo shares are worth $8-12/share at current strip pricing, more than 2-3 times the stock price**




Sources: Company filings, TPH Research SailingStone Capital estimates
(1) Adjusted for asset sales
(2) TPH EV/PDP Metrics 1.8.2019; LPI adjusted for estimated negative reserve revision
(3) Enterprise value per acre calculations are net of production, non-Permian acreage, and royalty volumes; Stock prices as of 2/13/2019; Flowing production multiple from TPH EV/PDP Metrics 1.8.2019
(4) Laredo's net acreage (90,000) excludes northern Glasscock. All other Permian acreage as reported

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# Recommendations to Unlock Laredo's Intrinsic Value – Shale 2.0

1. **Right-size the business by reducing G&A by at least 50%**

2. **Allocate capital to maximize returns and prioritize free cash flow generation**

   » Develop acreage at 4-5 wells/section going forward
   » Eliminate unproductive spending on science and testing

3. **Create a reasonable business plan and compensate management based on the realization of that plan. At the current strip, the assets should support:**

   » 5-10% per annum oil growth
   » $50-100MM annually in free cash flow
   » 10-15% per year debt-adjusted, per-share (DAPS) growth

4. **Evaluate strategic alternatives in order to realize the intrinsic value of the company's assets and to accelerate the return of capital to shareholders**

 

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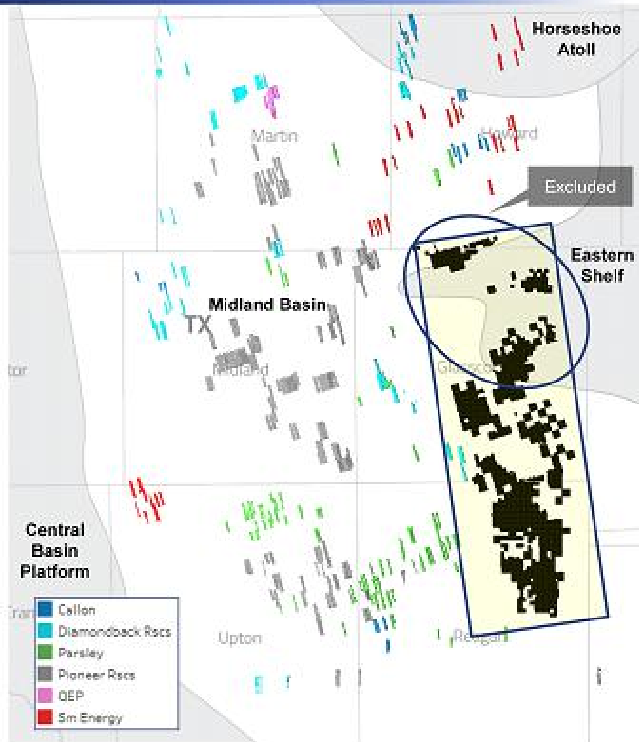
# II. Asset Quality Isn't The Problem

# Laredo's Acreage Position

- Laredo owns 90,000 core acres in the eastern Midland Basin[1]
- Wells in this area have slightly lower oil EURs and higher GORs
- However, this is offset by lower costs and higher natural gas and NGL EURs, resulting in similar returns
- There is a perception that Laredo owns low quality acreage
- Our 1,500+ well analysis shows that this perception is largely due to well spacing and not geology




Sources: RS Energy Group, IHS Markit

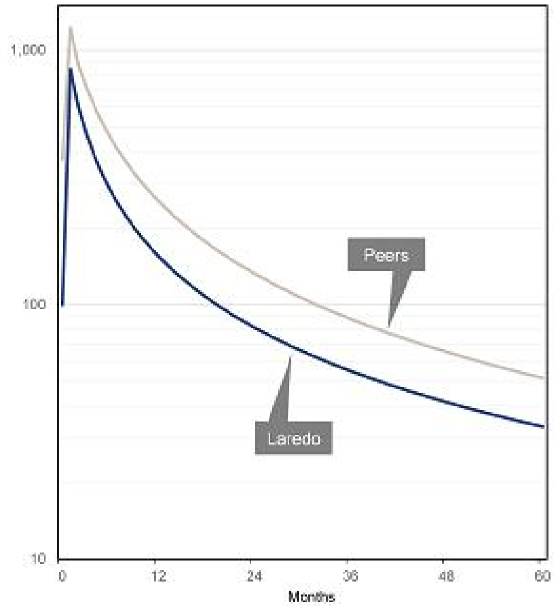
(1) We exclude from our calculations the ~30,000 acres that lie on or near the Eastern Shelf, as they are not prospective for the Wolfcamp Shale

# Laredo's Recent Wells Have Underperformed on Oil Volumes

- Over the last three years, Laredo's oil EURs have lagged Midland Basin peers
- These results have created the perception that Laredo's acreage yields lower returns than its peers
- Our analysis shows that Laredo's poor results over the last 3 years have been driven by downspacing and not geology

Average oil production for 2016-2018 wells, bopd (1)

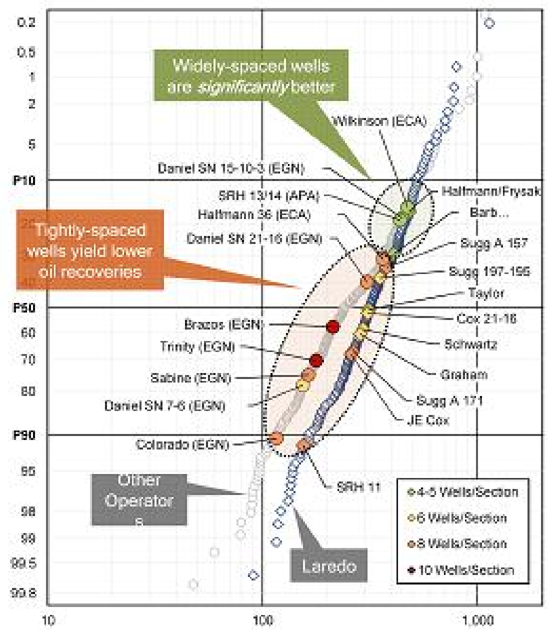



Sources: IHS Markit, SailingStone Capital estimates
(1) Normalized to 10,000'

# Oil Recoveries Are Driven by Spacing

**Laredo Area Oil EUR (MBO) Distributions** [1,2]
(key pads highlighted by well spacing)





Sources: IHS Markit, SailingStone Capital estimates
(1) Normalized to 10,000'
(2) Data includes completions as far back as 2014 to capture historical wide spacing

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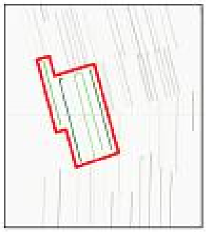
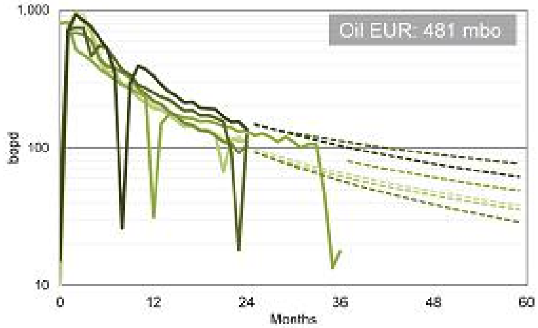
# Well Spacing Case Study

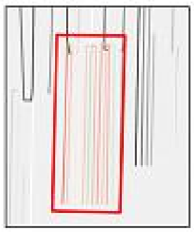
## Oil EURs are significantly lower on dense spacing

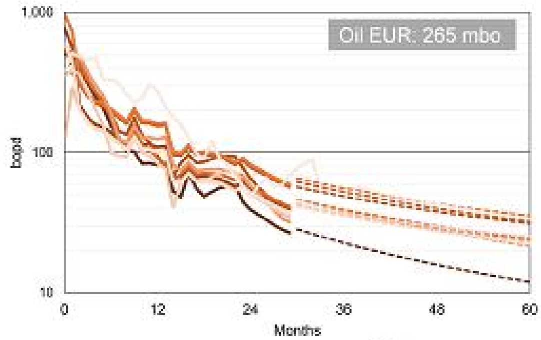
**Wide Spacing Example** [1]
(5 wells per section)






**Dense Spacing Example** [2]
(8 wells per section)






Sources: IHS Markit, SailingStone Capital analysis
(1) "County Line" group (Fuchs, Halfmann, Frysak, Schaefer wells - 6 wells total)
(2) Sugg -A- 171 series (11 wells total)

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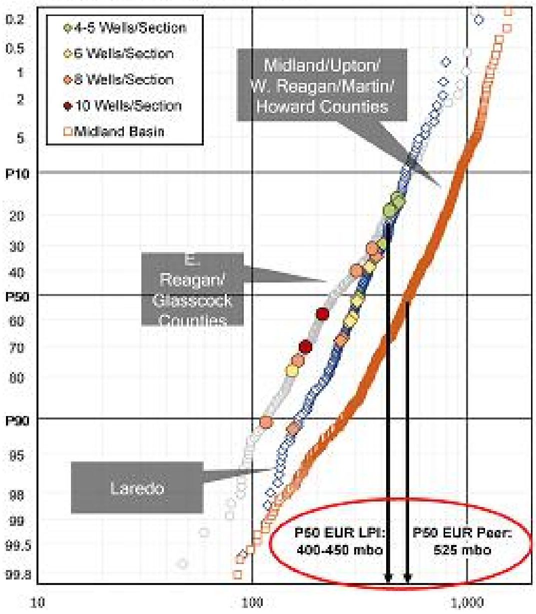
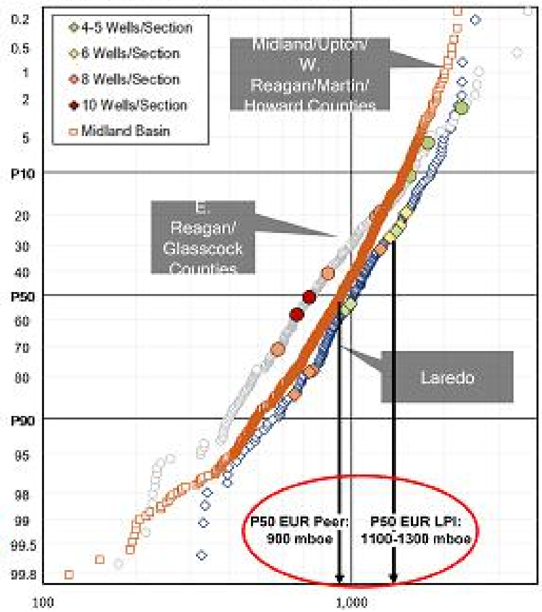
# Laredo Wells Competitive with Midland Basin at Wider Spacing

At 4-5 wells per section, oil EURs are slightly below Midland average, while equivalent EURs are above average[1]

**Oil EUR Distribution, mbo [2]**




**Equivalent EUR Distribution, mboe [2]**



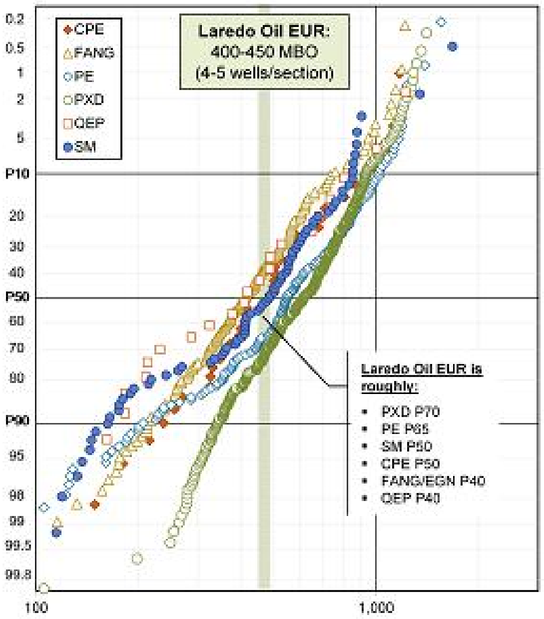

Sources: IHS Markit, SailingStone Capital estimates
(1) Wells plotted include 1,800+ completions from 2016-2018 where data is sufficient to perform decline curve analysis
(2) Normalized to 10,000'

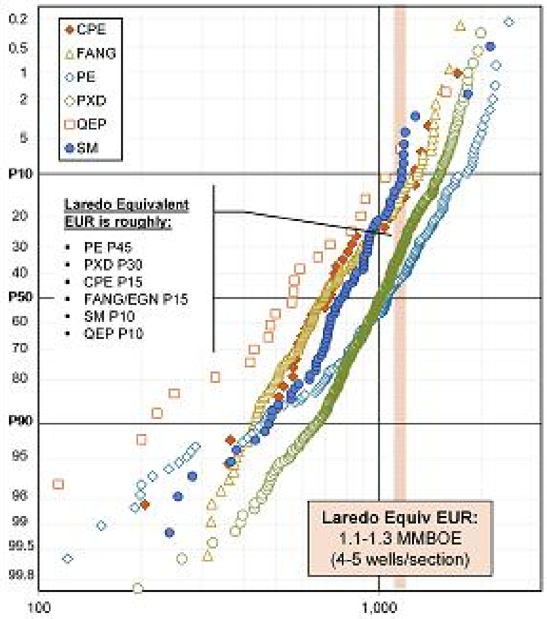
# Laredo Wells Competitive with Midland Basin at Wider Spacing

Laredo oil recoveries at 4-5 wells per section are in line with competitor results[1]

**Oil EUR Distribution, mbo** [2]




**Equivalent EUR Distribution, mboe** [2]




Sources: IHS Markit, SailingStone Capital estimates
(1) Wells plotted include 1,600+ completions from 2016-2018 where data is sufficient to perform decline curve analysis
(2) Normalized to 10,000'

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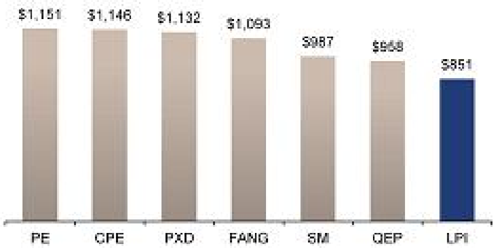
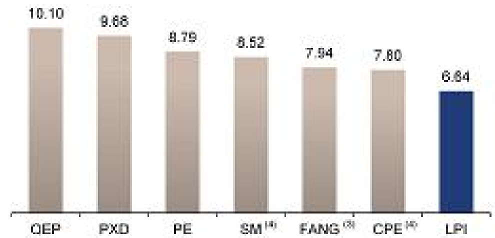
# Lower Costs Offset Higher GORs

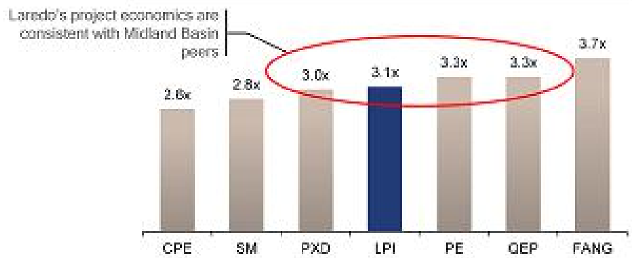
## 2018 Midland Development Cost per Lateral Foot [1]




## Q3'18 Permian Operating Expenses [2] ($/boe)




## Q3'18 Estimated Project Recycle Ratios [5]




Sources: Company filings, SailingStone Capital estimates
(1) Midland development cost per lateral foot = total Midland capital spent / (net completions times average lateral length), excludes non-recurring investments
(2) Permian operating expenses = LOE + Production Tax + GPT
(3) FANG production expenses exclude volumetric impact of VIPER
(4) SM and CPE reported Permian volumes converted from 2 to 3-stream for comparison purposes
(5) Estimated Cash flow recycle ratio = (Realized Price - Cash Costs + Cash G&A) / F&D for Permian Only operations

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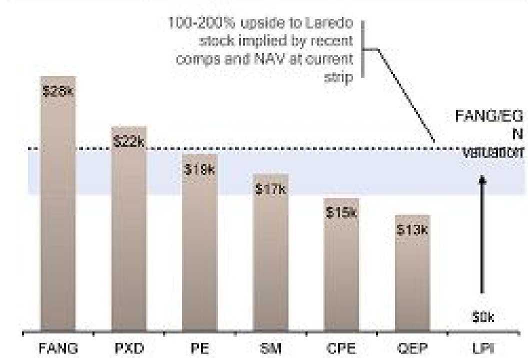
# Current Valuation is NOT a Function of Asset Quality

- The perception of poor asset quality is weighing on valuation
- A closer analysis shows that, when developed appropriately, Laredo's assets generate results that are comparable with Midland Basin peers
- Our works shows that the asset base supports an acreage value of $15-20k per acre, in line with peers and transactions in the basin

Implied Permian Value per Acre (1)




Sources: Company filings, TPH Research, SailingStone Capital estimates
(1) Enterprise value per acre calculations are net of production, non-Permian acreage, and royalty volumes; Stock prices as of 2/8/2019; Flowing production multiple from TPH EV/PDP Metrics 1.8.2019

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# III. Costs & Capital Allocation Are the Problem

# Laredo's Past Results

- Laredo's low returns on capital and free cash flow deficits have not been driven by asset quality, but rather by:
  - Excessive G&A costs
  - Unnecessarily tight well spacing
  - Too much capital spending on "science" and testing
- We attempted to reconstruct Laredo's past financial results from 2016-2018 assuming:
  - A 50% reduction in G&A costs
  - Development of the Upper & Middle Wolfcamp at 4-5 wells per section
  - The elimination of unproductive spending on science
- Under this development plan, Laredo would have shown:
  - Project returns of 40% versus realized returns of 25%
  - DAPS growth of 10-15% per annum versus ~5% realized DAPS growth
  - 2019 Net Debt/EBITDA of 1.0x times versus 2.2x
  - 2019 EV/EBITDA multiple of 2.5x versus 4.1x

 

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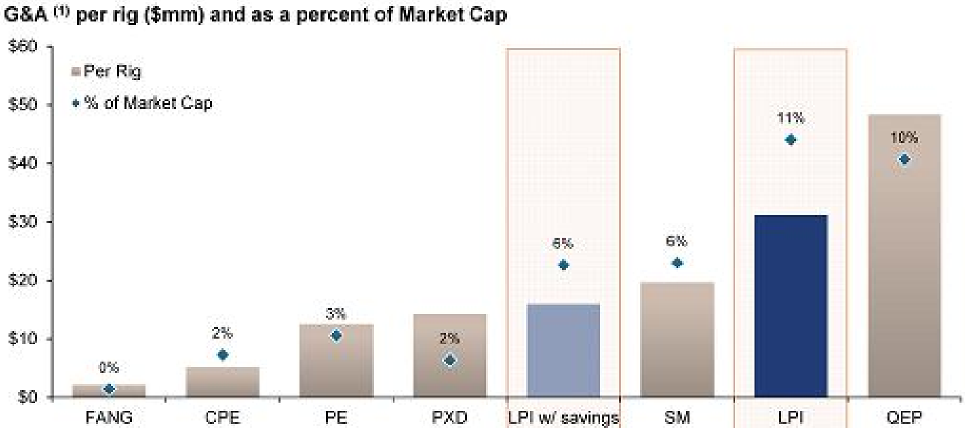
# G&A Has Been Excessively High

Laredo is currently spending approximately $100mm per year on G&A, the highest among peers on a unit basis and as a percentage of market capitalization. **Laredo should be able to reduce annual G&A by at least 50%.**




| | FANG | CPE | PE | PXD | LPI w/ savings | SM | LPI | QEP |
|---|---|---|---|---|---|---|---|---|
| G&A $/boe | $2.38 | $1.47 | $3.51 | $3.25 | $2.30 | $2.46 | $3.56 | $3.35 |

Sources: Company filings, TPH Weekly Rig Roundup, SailingStone Capital estimates
(1) G&A used is annualized Q3'18 G&A, excludes capitalized items

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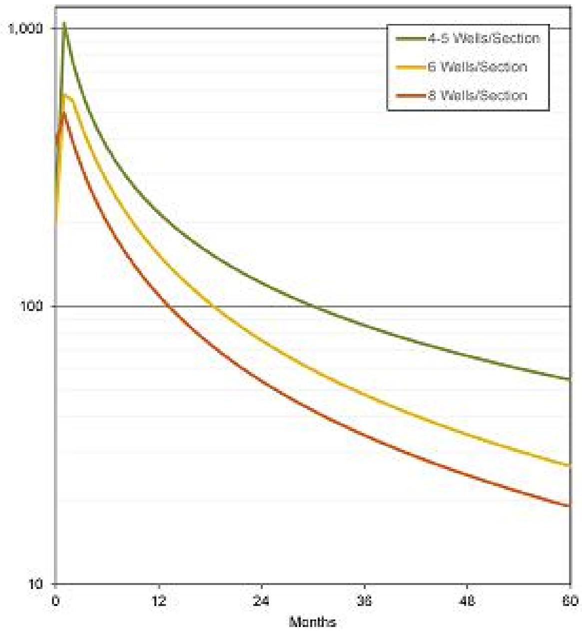
# Downspaced Wells Have Underperformed

- Since 2016, Laredo has moved to higher density development, increasing density from 4-5 to 6-8 wells per section
- These wells have had lower oil recoveries and higher gas-to-oil ratios due to interference
- As a result, Laredo's oil mix has declined as a percentage of total production and the corporate decline rate has steepened
- The good news is that wider spacing yields higher oil recoveries, lower depletion rates, and better returns
- Notably, Laredo has a large acreage position and many years of development at wider spacing

**Laredo oil type curves by development spacing, bopd (1)**




Sources: IHS Markit, SailingStone Capital estimates
(1) Normalized to 10,000'

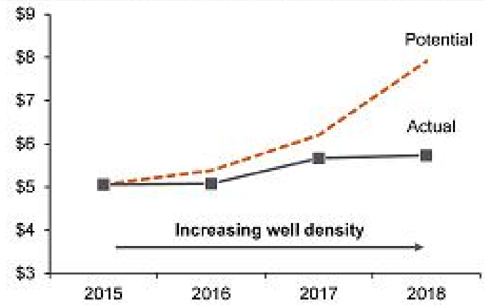
 

# What Could Have Been… At Lower Costs and Wider Spacing

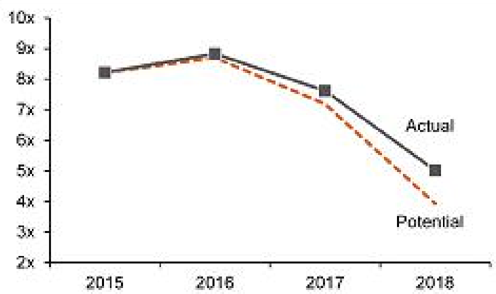
- **What actually happened**
  - » Downspacing degraded well results
  - » G&A higher than peers
  - » Science and testing

- **What could have happened**
  - » Drilled wells at 4-5 wells per section
  - » 50% lower G&A
  - » Eliminated unnecessary testing

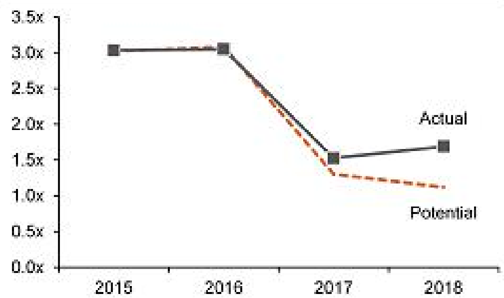
Estimated Debt-Adjusted Per Share Production (2)




EV/EBITDA Multiples




Leverage – Net Debt/EBITDA




Sources: SailingStone Capital estimates
(1) All estimates based on $55 oil and $2.75 gas
(2) Debt-Adjusted Per Share production = (production volumes × constant flowing barrel multiple - net debt) / outstanding shares, adjusted for Medallion sale

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# IV. SailingStone's Plan – Shale 2.0

# SailingStone's Plan – Shale 2.0

- **Reduce G&A by at least 50%**

- **Maximize returns on capital by developing the Wolfcamp at 4-5 wells per section**

  » Per-well oil recoveries should increase by over 40%
  » Project returns should rise from 25% to 40%
  » Decline rates should improve

- **Eliminate non-D&C upstream expenditures**

- **Under this plan at the current strip, Laredo should be able to:**

  » Generate 5-10% per annum growth in oil volumes
  » Generate significant free cash flow with approximately 10-15% DAPS growth
  » Return up to $200mm to shareholders over the next 4 years at the current future strip through share repurchases, dividends, and/or debt reduction
  » Reduce leverage to under 1.5x net debt/EBITDA
  » See its multiple compress over 40% from 4.1x to 2.5x by 2021

- **Explore strategic alternatives that can improve capital efficiency further and accelerate the return of capital to shareholders**

 

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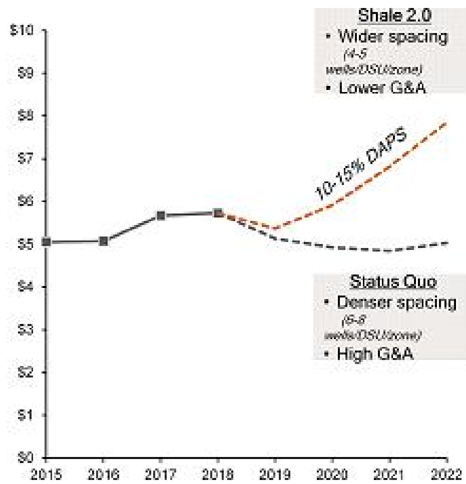
# SailingStone Plan Increases Returns & FCF

**Our plan meaningfully improves all operational and financial metrics, highlighting the intrinsic value of the underlying assets**

| Estimates [1] | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|
| **Capex ($mm)** | | | | |
| Shale 2.0 | $367 | $451 | $477 | $546 |
| Status Quo | $367 | $451 | $477 | $546 |
| **Total G&A ($mm)** | | | | |
| Shale 2.0 | $85 | $50 | $50 | $50 |
| Status Quo | $100 | $99 | $95 | $95 |
| **Oil Recoveries per well, mbo [2]** | | | | |
| Shale 2.0 | 365 | 425 | 425 | 425 |
| Status Quo | 300 | 300 | 300 | 300 |
| **Oil Growth** | | | | |
| Shale 2.0 | (5%) | 9% | 9% | 9% |
| Status Quo | (9%) | 1% | 4% | 6% |
| **Free Cash Flow ($mm)** | | | | |
| Shale 2.0 | $1 | $45 | $108 | $102 |
| Status Quo | ($10) | ($40) | ($62) | ($58) |

2019 is a transition year from 6-8 well per section development to 4-5

**Estimated Debt-Adjusted Per Share Production [3]**




Sources: SailingStone Capital estimates
(1) All estimates based on $55 oil and $2.75 gas
(2) Oil recoveries normalized to 10,000' lateral length
(3) Debt-Adjusted Per Share production = (production volumes x constant flowing barrel multiple - net debt) / outstanding shares, adjusted for Medallion sale

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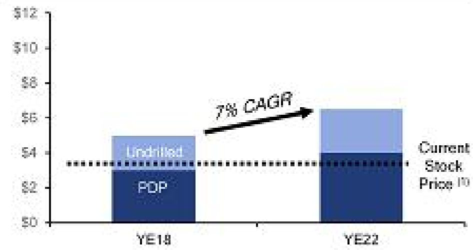
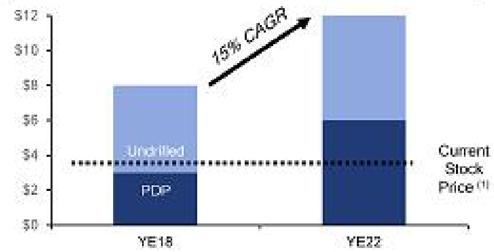
# SailingStone Plan Accretive on NAV & Cash Flow Basis

## Net Asset Value ($/sh)

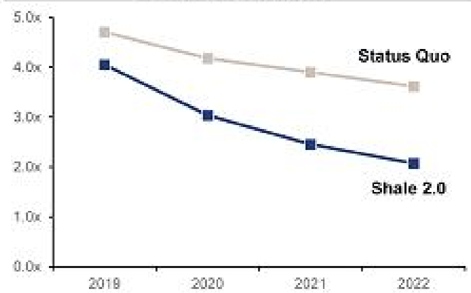
### Status Quo



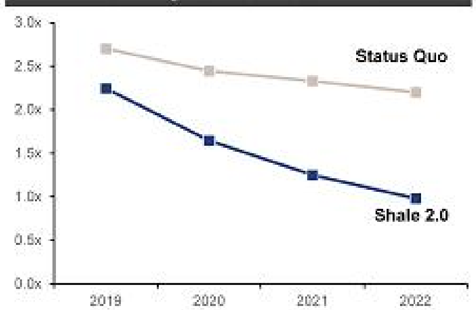

### Shale 2.0




## EV/EBITDA Multiples




## Leverage – Net debt/EBITDA




(1) Stock price as of 2/13/2019
(2) All estimates based on $55 oil and $2.75 gas
(3) Net Asset Value = (reserve value - net debt) / outstanding shares

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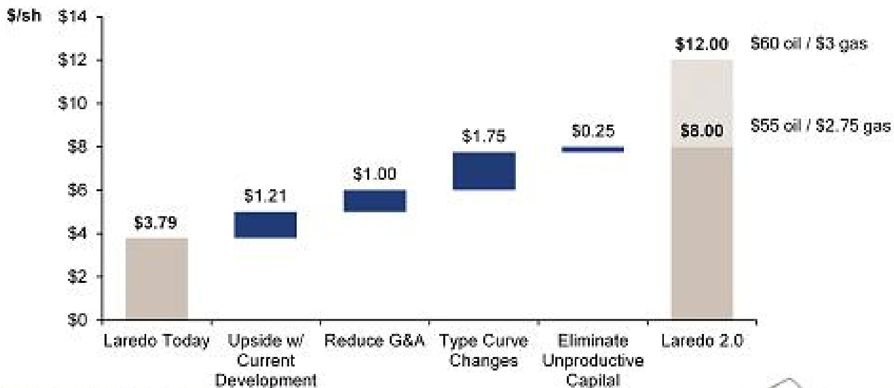
# V. Closing Thoughts

# Laredo's Path Forward

SailingStone asks the Board to commit to the following actions:

1. **Right-size the business by reducing G&A by at least 50%**
2. **Allocate capital to maximize returns and prioritize free cash flow generation**
3. **Create a reasonable business plan and compensate management based on the realization of that plan**
4. **Evaluate strategic alternatives in order to realize the intrinsic value of the company's assets and to accelerate the return of capital to shareholders**




(1) Laredo Today is stock price as of 2/13/2019

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