

Rising Star: Davis Polk's Angela Libby

By Michael Phillis

Law360 (June 7, 2021, 3:02 PM EDT) -- Angela Libby of Davis Polk & Wardwell LLP has played a key role in significant restructurings in the energy industry, including a cross-border proceeding that involved \$5.3 billion in debt, earning her a spot among the energy law practitioners under age 40 honored by Law360 Rising Stars.

HER BIGGEST CASE:

Libby said her "coming of age case" was her work on Pacific Exploration & Production's restructuring of \$5.3 billion in debt. She was the lead associate advising the administrative agent in a matter that involved a company that operated in Colombia, was headquartered in Canada and involved debt issued in the United States, according to the firm.

"That one was really challenging because, given the company's situation, the best thing for us to do was to work together as creditor groups," she told Law360, adding that she represented the administrative agent, who worked with a group of bank lenders that worked with a group of bond investors. "We collectively ran a creditor-led and sponsored marketing process prepetition and completely out of court."

The creditors selected a buyer and negotiated the restructuring prior to filing. The main proceeding was filed in Canada, while recognition proceedings occurred in the U.S. and Colombia — a novel process in the latter country, she said. She noted that the case was high-profile, remembering a hearing in Bogotá held in a packed courtroom during a process of high interest to the press.

"We were actually seeking recognition of this complicated, full comprehensive restructuring that also had a [debtor-in-possession financing] during the case over assets that were really Colombian assets," she said.



Angela Libby
Davis Polk

Age: 34
Home base: New York
Position: Partner
Law school: New York University
School of Law
First job after law school: Davis
Polk associate

The process concluded in 2016, and Pacific Exploration said at the time that the restructuring deal with private equity firm The Catalyst Group would improve the company's liquidity and provide the business with the best path toward navigating the then-present downturn in oil and gas prices.

She said a lot of smart people came together to reach a deal, all while handling complicated matters like the cross-border nature of the process.

Libby said it was "one of the first deals I felt like I had a key leadership role in."

HOW SHE ENDED UP DOING RESTRUCTURING WORK FOCUSED ON THE ENERGY INDUSTRY:

Libby said she loves restructuring and energy work because of the small group of players involved, which allows her to get to know her clients and the other professionals in the field. It's intensive work where she sees many of the same people again and again.

"Restructuring, just by definition, is this constantly evolving field where every case has its own challenges and the capital structures get more and more complicated," she said, adding that the same is true for energy. "That ultimately leads to more complicated restructuring cases."

The sophisticated nature of the cases is something that is "really exciting to see develop."

And there has been a lot of restructuring activity in the energy space, so a lot of the people handling restructuring have become energy experts, she said.

Libby added that she was in law school during the Great Recession, which raised the visibility of restructuring work. When she landed at Davis Polk, she understood that the focus was right for her.

WHAT MOTIVATES HER:

She said restructuring is an overlay between corporate and litigation strategy, and it involves rewarding teamwork.

"It is one of the few spaces where you are constantly doing both," she said. "In every transaction, you are coming up with new legal theories and arguments for the benefit of your client, and you are also coming up with new corporate structures."

The work is aimed at solving a company's various needs and bridging gaps between competing credit groups and other interests.

"So, it is this very sophisticated field that is constantly evolving and really has so much room for creativity and invention and developing new things," she said. "I think that that is an extremely motivating factor for those of us who do this day in and day out."

WHERE HER PRACTICE IS GOING NEXT:

Deals are continuing to get more complex and creative, she said, a trend that isn't likely to stop any time soon.

"I do think that capital structures prepetition are going to continue to get more complex, and I think that is going to lead to more complex restructuring," she noted.

In addition, she said she hopes the energy and restructuring fields become more diverse.

"I'm just so encouraged to see a greater diversity of really smart people at the table working on these transactions. I think that is going to add a lot of value to the field and the industry," Libby said.

ANOTHER NOTABLE CASE:

Libby was a co-leader on the team that advised an ad hoc group of creditors in the bankruptcy proceedings of California Resources Corp., according to the firm. The company's reorganization plan was approved in October, which gave it the go-ahead to swap more than \$4.3 billion in debt for equity in a prepackaged Chapter 11 plan.

"That was a good example of a really complicated capital structure," Libby said.

She said that prior to filing, there was a lot of potential for inter-creditor disputes and a long case, at a time when the company was facing oil and gas volatility and the pressure of the COVID-19 pandemic.

Her clients were primary drivers in the case and negotiated resolutions with parties across the capital structure, she said.

"We were able to negotiate an outcome that everyone was able to sign up to by the time we filed the case," she noted, adding that the disputes that did come up were resolved quickly. "The company was able to successfully emerge."

— *As told to Michael Phillis*

Law360's Rising Stars are attorneys under 40 whose legal accomplishments belie their age. A team of Law360 editors selected the 2021 Rising Stars winners after reviewing more than 1,400 submissions. Attorneys had to be under 40 as of April 30, 2021, to be eligible for this year's award. This interview has been edited and condensed.