

MILLER ENERGY RESOURCES, INC.  
Form 424B5  
May 06, 2013

**Filed Pursuant to Rule 424(b)(5)**  
**Registration No. 333-183750**

**The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and accompanying prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED MAY 6, 2013**

**PROSPECTUS SUPPLEMENT**

**(To Prospectus dated September 18, 2012)**

**Shares**

**10.75% Series C Cumulative Redeemable Preferred Stock**

**\$ Per Share (Liquidation Preference \$25.00 Per Share)**

**Shares of Common Stock**

Miller Energy Resources, Inc. is offering to the public \_\_\_\_\_ shares of our 10.75 % Series C Cumulative Redeemable Preferred Stock, which we refer to in this prospectus supplement as the Series C Preferred Stock. This is a follow-on offering of the Series C Preferred Stock. We are also registering \_\_\_\_\_ shares of our common stock, par value \$0.0001 per share, which we refer to as common stock in this prospectus supplement. Such shares of common stock may be issued as a result of the conversion of the Series C Preferred Stock as more fully described herein.

Our common stock is currently traded on the New York Stock Exchange LLC, or NYSE, under the symbol "MILL." On May 3, 2013, the last reported sales price of our common stock on the NYSE was \$3.76 per share. The Series C Preferred Stock is currently traded on the NYSE under the symbol "MILLprC." On May 3, 2013, the last reported sales price of the Series C Preferred Stock on the NYSE was \$22.59 per share. We will bear all costs associated with the offering.

We will pay quarterly cumulative dividends on the Series C Preferred Stock on the 1<sup>st</sup> day of each December, March, June and September (provided that if any dividend payment date is not a business day, then the dividend which would otherwise have been payable on that dividend payment date may be paid on the next succeeding business day) when, as and if declared by our board of directors, from, and including, the date of original issuance at 10.75% of the \$25.00 per share liquidation preference per annum (equivalent to \$2.6875 per annum per share). The next scheduled dividend will be payable as of June 1, 2013 (though as June 1 is not a business day, the related dividend will be paid on the next business day, June 3, 2013), in the amount of \$0.671875 per share, which will be paid to the persons who are the holders of record of the Series C Preferred Stock at the close of business on May 15, 2013.

The Series C Preferred Stock will not be redeemable before November 1, 2017, except as described below upon the occurrence of a Change of Control (as defined herein) or upon a Market Trigger (as defined herein). On or after November 1, 2017 we may, at our option, redeem any or all of the shares of the Series C Preferred Stock at \$25.00 per share plus any accumulated and unpaid dividends to, but not including, the redemption date. In addition, upon the occurrence of a Change of Control, we may, at our option, redeem any or all of the shares of Series C Preferred Stock within 120 days after the first date on which such Change of Control occurred at \$25.00 per share plus any accumulated and unpaid dividends to, but not including, the redemption date. The Series C Preferred Stock has no stated maturity, is not subject to any sinking fund or mandatory redemption and will remain outstanding indefinitely unless we repurchase, redeem or convert it into our common stock in connection with a Change of Control or a Market Trigger Conversion and Redemption, or unless a holder chooses to convert the Series C Preferred Stock into our common stock.

Our underwriters are selling shares of Series C Preferred Stock on a "best efforts" basis. The underwriters are not required to sell any specific number or dollar amount of Series C Preferred Stock but will use their best efforts to sell the Series C Preferred Stock offered. Please see "Underwriting" beginning on page S-31 of this prospectus supplement for more information regarding our arrangements with the underwriters. There is no arrangement for funds to be received in escrow, trust or similar arrangement.

**The Series C Preferred Stock has not been rated. Investing in the Series C Preferred Stock involves a high degree of risk. See "Risk Factors" beginning on page S- 6 of this prospectus supplement, page 4 of the accompanying prospectus, and in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus.**

	Per Share	Total
Public Offering Price	\$	\$
Underwriting Commissions paid by us	\$	\$

Proceeds, before expenses, to us           \$           \$

**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.**

The underwriters expect to deliver the shares of Series C Preferred Stock to purchasers on or about May , 2013, only in book-entry form through the facilities of The Depository Trust Company.

*Sole Book-Running Manager*

MLV & Co.

*Co-Managers*

Maxim Group LLC National Securities Corporation Aegis Capital Corp.

May , 2013

**TABLE OF CONTENTS**

	PAGE
ABOUT THIS PROSPECTUS SUPPLEMENT	S-i
INFORMATION REGARDING FORWARD-LOOKING STATEMENTS	S-ii
PROSPECTUS SUPPLEMENT SUMMARY	S-1
THE OFFERING	S-2
RISK FACTORS	S-6
RATIO OF EARNINGS TO FIXED CHARGES	S-10
CAPITALIZATION	S-11
USE OF PROCEEDS	S-12
PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY	S-12
DESCRIPTION OF THE SERIES C PREFERRED STOCK	S-13
MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES	S-25
UNDERWRITING	S-31
LEGAL MATTERS	S-32
EXPERTS	S-32
WHERE YOU CAN FIND MORE INFORMATION	S-32
INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE	S-32

**PROSPECTUS**

ABOUT THIS PROSPECTUS	2
AVAILABLE INFORMATION	2
THE COMPANY	3
CAUTIONARY STATEMENTS REGARDING FORWARD LOOKING INFORMATION	3
RISK FACTORS	5
USE OF PROCEEDS	5
RATIO OF EARNINGS TO FIXED CHARGES	6
GENERAL DESCRIPTION OF THE OFFERED SECURITIES	6
DESCRIPTION OF OUR CAPITAL STOCK	6
DESCRIPTION OF WARRANTS	9
DESCRIPTION OF UNITS	11
MATERIAL FEDERAL INCOME TAX CONSEQUENCES	11
PLAN OF DISTRIBUTION	11
LEGAL MATTERS	13
EXPERTS	13
WHERE YOU CAN FIND MORE INFORMATION	14
INFORMATION INCORPORATED BY REFERENCE	14

LIMITATION ON DIRECTORS' AND OFFICERS' LIABILITY 15  
AND COMMISSION POSITION ON INDEMNIFICATION FOR  
SECURITIES ACT LIABILITIES

## **ABOUT THIS PROSPECTUS SUPPLEMENT**

This prospectus supplement and accompanying prospectus is part of a registration statement on Form S-3 that we filed with the Securities Exchange Commission (“SEC”), using a “shelf” registration or continuous offering process. Under this registration statement, we may sell any combination of the securities described in such registration statement from time to time, either separately or in units, in one or more offerings. Together, these offerings (including any offerings under this prospectus supplement and accompanying prospectus) may total up to \$500.0 million.

All references to “Company” “we,” “our,” “Miller,” or “us” refer solely to Miller Energy Resources, Inc., together with our subsidiaries, and not to the persons who manage us or sit on our board of directors. All trade names used in this prospectus supplement and accompanying prospectus are either our registered trademarks or trademarks of their respective holders.

You should rely only on the information contained in this prospectus supplement and accompanying prospectus and the documents we incorporate by reference in this prospectus supplement and accompanying prospectus. We have not authorized anyone to provide you with information different from that contained in or incorporated by reference in this prospectus supplement and accompanying prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information contained in this prospectus supplement and accompanying prospectus, as well as the information that we have filed with the SEC, and incorporated by reference herein, is accurate only as of the date of the applicable document. This prospectus supplement and accompanying prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which an offer or solicitation is not authorized or in which the person making an offer or solicitation is not qualified to do so, or to anyone to whom it is unlawful to make an offer or solicitation.

*The information contained in this prospectus supplement is correct only as of the date on the cover, regardless of the date this prospectus supplement and accompanying prospectus was delivered to you or the date on which you acquired any of the shares.*

## INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and accompanying prospectus, including the information we incorporate by reference, contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, referred to as the Exchange Act, which are subject to the “safe harbor” created in Section 21E thereof. All statements other than statements of historical facts contained in this prospectus supplement and accompanying prospectus are forward-looking statements. These forward-looking statements can generally be identified by the use of words such as “may,” “will,” “intends,” “plans,” “believes,” “anticipates,” “expects,” “estimates,” “predicts,” “potential,” the use of these words or similar expressions. Statements that describe our future plans, strategies, intentions, expectations, objectives, goals or prospects are also forward-looking statements. These forward-looking statements include, but are not limited to, statements about:

- the potential for Miller to experience additional operating losses;
- high debt costs under our existing senior credit facility;

potential limitations imposed by debt covenants under our senior credit facility on our growth and our ability to meet our business objectives;

- our need to enhance our management, systems, accounting, controls and reporting performance;
- litigation risks;

our ability to perform under the terms of our oil and gas leases, and exploration licenses with the Alaska DNR, including meeting the funding or work commitments of those agreements;

- our ability to successfully acquire, integrate and exploit new productive assets in the future;
- our ability to recover proved undeveloped reserves and convert probable and possible reserves to proved reserves;
- risks associated with the hedging of commodity prices;
- our dependence on third party transportation facilities;

- concentration risk in the market for the oil we produce in Alaska;
- the impact of natural disasters on our Cook Inlet Basin operations;
- adverse effects of the national and global economic downturns on our profitability;
  - the imprecise nature of our reserve estimates;
    - drilling risks;
- fluctuating oil and gas prices and the impact on our results from operations;
- the need to discover or acquire new reserves in the future to avoid declines in production;
- differences between the present value of cash flows from proved reserves and the market value of those reserves;
  - the existence within the industry of risks that may be uninsurable;
- constraints on production and costs of compliance that may arise from current and future environmental, FERC and other statutes, rules and regulations at the state and federal level;
- the impact that future legislation could have on access to tax incentives currently enjoyed by Miller;



- that no dividends may be paid on our common stock for some time;
- cashless exercise provisions of outstanding warrants;
- market overhang related to restricted securities and outstanding options, and warrants;
- the impact of non-cash gains and losses from derivative accounting on future financial results; and
- risks to non-affiliate shareholders arising from the substantial ownership positions of affiliates.

These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under “Risk Factors” and elsewhere in this prospectus supplement and accompanying prospectus. Any forward-looking statement in this prospectus supplement reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, industry and future growth. Except as required by law, we assume no obligation to update or revise these forward- looking statements for any reason, even if new information becomes available in the future.

Discussions containing these forward-looking statements are also contained in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” incorporated by reference from our most recent Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q for the quarters ended since our most recent Annual Report, our Current Reports on Form 8-K, as well as any amendments we make to those filings with the SEC.

## PROSPECTUS SUPPLEMENT SUMMARY

*This summary highlights information contained elsewhere or incorporated by reference into this prospectus supplement and accompanying prospectus. Because it is a summary, it does not contain all of the information that you should consider before investing in our securities. You should read this entire prospectus supplement and accompanying prospectus carefully, including the section entitled "Risk Factors" and the documents that we incorporate by reference into this prospectus supplement and accompanying prospectus, before making an investment decision.*

### **Business of Miller Energy Resources, Inc.**

We are an independent exploration and production company that utilizes seismic data and other technologies for geophysical exploration and development of oil and gas wells in the Appalachian region of East Tennessee and in south central Alaska. During fiscal 2013, we continued to develop our oil and gas operations which we acquired from Pacific Energy Resources in December 2009 through a bankruptcy proceeding, including onshore and offshore production and processing facilities, the offshore Osprey platform, and approximately 700,000 lease or exploration license acres of land, along with hundreds of miles of 2-D and 3-D geologic seismic data, miscellaneous roads, pads, pipelines and facilities. Our mission is to grow a profitable exploration and production company for the long-term benefit of our shareholders by focusing on the development of our reserves, continued expansion of our oil and natural gas properties and increase in our production and related cash flow. We intend to accomplish these objectives through the execution of the following core strategies:

**Develop Acquired Acreage.** We intend to focus on organically growing production through drilling for our own benefit on existing leases and acreage in the exploration licenses with a view towards retaining the majority of working interest in the new wells. This strategy will allow us to maintain operational control, which we believe will translate to long-term benefits.

- **Increase Production.** We plan on increasing oil and gas production through the maintenance, repair and optimization of wells located in Alaska and development of wells in the Appalachian region of East Tennessee. We expect to employ the latest available technologies to explore and develop our properties.

**Expand Our Revenue Stream.** We intend to exploit fully our mid-stream facilities, our ability to engage in the commercial disposal of waste generated by oil and gas operations and our capacity to process third party fluids and natural gas. We also intend to offer excess electrical power to net users in south central Alaska.

**Pursue Strategic Acquisitions.** We have significantly increased our oil and gas properties through strategic low-cost/high-value acquisitions. We plan to continue to seek opportunities that meet our criteria for risk, reward, rate of return, and growth potential. We plan to leverage our management team's expertise to pursue value-creating acquisitions when the opportunities arise, subject to the availability of sufficient capital.

Our principal executive offices are located at 9721 Cogdill Road, Suite 302, Knoxville, TN 37932, and our telephone number is (865) 223-6575. Our fiscal year end is April 30. We maintain a corporate web site at [www.millerenergyresources.com](http://www.millerenergyresources.com). The information which appears on this web site is not part of this prospectus supplement and accompanying prospectus.

S-1

## THE OFFERING

*We are selling all of the shares of the Series C Preferred Stock offered by this prospectus supplement and accompanying prospectus. For a description of the Series C Preferred Stock, please see the sections entitled “Description of the Series C Preferred Stock” in this prospectus supplement and “Description of Capital Stock—Preferred Stock” in the accompanying prospectus.*

Issuer	Miller Energy Resources, Inc.
Offered	shares of 10.75% Series C Cumulative Redeemable Preferred Stock. We are also registering _____ shares of our common stock underlying the Series C Preferred Stock and issuable upon conversion.
Offering Price	\$ _____ per share of Series C Preferred Stock.
Dividends	<p> Holders of the Series C Preferred Stock will be entitled to receive cumulative cash dividends at a rate of 10.75% per annum of the \$25.00 per share liquidation preference (equivalent to \$2.6875 per annum per share) when, as and if declared by our board of directors.</p> <p> Dividends will be payable quarterly on the 1<sup>st</sup> day of each December, March, June and September, provided that if any dividend payment date is not a business day, then the dividend which would have been payable on that dividend payment date will be paid on the next succeeding business day. Dividends will accrue and be cumulative from, and including, the date as of which dividends were last payable in full, which was on March 1, 2012. The next scheduled dividend will be payable as of June 1, 2013 (though as June 1 is not a business day, the related dividend will be paid on the next business day, June 3, 2013), in the amount of \$0.671875 per share, which will be paid to the persons who are the holders of record of the Series C Preferred Stock at the close of business on the corresponding record date, which will be May 15, 2013. For the definition of “dividend payment date” please see the section entitled “Description of Series C Preferred Stock—Dividends.”</p> <p> Pursuant to an agreement with our lender, a portion of the proceeds of this offering in an amount equal to the dividend payments on the Series C Preferred Stock that will be payable on or before the dividend date occurring in September, 2013, will be placed in a separate account of the company. Our lender will have a lien on and control over this account.</p>
No Maturity	The Series C Preferred Stock has no stated maturity and will not be subject to any sinking fund or mandatory redemption. Shares of the Series C Preferred Stock will remain outstanding indefinitely unless we decide to redeem or otherwise repurchase them as

described below under “—Redemption—Optional Redemption or —Special Optional Redemption” or “—Conversion Rights; Market Trigger; Conversion and Redemption” or they become convertible and are converted as described below under “—Conversion Rights.” We are not required to set aside funds to redeem the Series C Preferred Stock.

Optional Redemption

The Series C Preferred Stock is not redeemable until November 1, 2017, except as described below under “—Special Optional Redemption” and under “—Conversion Rights; Market Trigger; Conversion and Redemption.” On and after November 1, 2017 we may, at our option, redeem the Series C Preferred Stock, in whole or in part, at any time or from time to time, for cash at a redemption price equal to \$25.00 per share, plus any accumulated and unpaid dividends to, but not including, the date fixed for redemption. See “Description of Series C Preferred Stock— Redemption—Optional Redemption.”

Special Optional Redemption

Upon the occurrence of a Change of Control, provided no Limiting Document (as defined herein) may prohibit it, we may, at our option, redeem the Series C Preferred Stock, in whole or in part, within 120 days after the first date on which such Change of Control occurred, for cash at a redemption price of \$25.00 per share, plus any accumulated and unpaid dividends to, but not including, the date fixed for redemption. If, prior to the Change of Control Conversion Date (as defined herein), we have provided notice of our election to redeem some or all of the shares of Series C Preferred Stock (whether pursuant to our optional redemption right described above or this special optional redemption right), the holders of Series C Preferred Stock will not have the Change of Control Conversion Right described below under “— Conversion Rights” with respect to the shares of Series C Preferred Stock called for redemption. Please see the section entitled “Description of the Series C Preferred Stock—Redemption—Special Optional Redemption” in this prospectus supplement. Notwithstanding the foregoing, holders shall always have the right, up to any applicable redemption date, to convert the Series C Preferred Stock into our common stock at a conversion price of \$10.00 per share, as such conversion price may be adjusted.

A “Change of Control” is deemed to occur when, after the original issuance of the Series C Preferred Stock, the following have occurred and are continuing:

the acquisition by any person, including any syndicate or group deemed to be a “person” under Section 13(d) (3) of the Exchange Act of beneficial ownership, directly or indirectly, through a purchase, merger or other acquisition transaction or series of purchases, mergers or other acquisition transactions of our stock entitling that person to exercise more than 50% of the total voting power of all our stock entitled to vote generally in the election of our directors (except that such person will be deemed to have beneficial ownership of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition); and

following the closing of any transaction referred to in the bullet point above, neither we nor the acquiring or surviving entity has a class of common securities (or American depository receipts representing such securities) listed on a National Exchange. For the definition of “National Exchange” please see the section entitled “Description of Series C Preferred Stock—Dividends.”

Market Trigger Conversion and Redemption	At any time, we, at our option, may cause the Series C Preferred Stock to be converted in whole or in part, on a <i>pro rata</i> basis, into fully paid and nonassessable shares of common stock at the Conversion Price (defined below) if the Closing Bid Price (as defined hereafter) of the Common Stock shall have equaled or exceeded 150% of the Conversion Price for at least 20 trading days in any 30 consecutive trading day period ending three days prior to the date of notice of conversion (such event, the “Market Trigger”). Any shares of Series C Preferred Stock so converted shall be treated as having been surrendered by the holder thereof for conversion on the date of such mandatory conversion (unless previously converted at the option of the holder).
--	---

We may, at our option, redeem the Series C Preferred Stock for cash equal to \$25.00 per share plus accrued and unpaid dividends, if the Market Trigger has occurred in the period ending three days prior to the date of notice of redemption (unless previously converted at the option of the holder). See “Description of Series C Preferred Stock — Conversion Rights; Market Trigger Conversion and Redemption.”

Conversion Rights	Each outstanding share of Series C Preferred Stock shall be convertible at any time at the option of the holder into that number of whole shares of our common stock as is equal to \$25.00 per share, plus accrued and unpaid dividends, divided by an initial conversion price of \$10.00. The initial conversion price and the conversion price as adjusted are referred to as the “Conversion Price.” A share of Series C Preferred Stock called for redemption shall be convertible into shares of our common stock up to and including, but not after, the close of business on the date fixed for redemption unless we default in the payment of the amount payable upon redemption.
----------------------	---

Upon the occurrence of a Change of Control, in addition to the conversion right noted in the above paragraph, each holder of Series C Preferred Stock will have the right subject to our election to redeem the Series C Preferred Stock in whole or part, as described above under “—Optional Redemption” or “—Special Optional Redemption,” prior to the Change of Control Conversion Date to convert some or all of the Series C Preferred Stock held by such holder on the Change of Control Conversion Date into a

number of shares of our common stock per share of Series C Preferred Stock equal to the lesser of:

the quotient obtained by dividing (i) the sum of the \$25.00 liquidation preference per share of Series C Preferred Stock plus the amount of any accumulated and unpaid dividends thereon to, but not including, the Change of Control Conversion Date (unless the Change of Control Conversion Date is after a dividend record date (as defined herein) and prior to the corresponding dividend payment date (as defined herein) for the Series C Preferred Stock, in which case no additional amount for such accrued and unpaid dividends will be included in this sum) by (ii) the Common Stock Price (as defined herein); and

9.51 (the “Share Cap”), subject to adjustments to the Share Cap for any splits, subdivisions or combinations of our common stock;

in each case, on the terms and subject to the conditions described in this prospectus supplement, including provisions for the receipt, under specified circumstances, of alternative consideration as described in this prospectus supplement.

For definitions of “Change of Control Conversion Right,” “Change of Control Conversion Date” and “Common Stock Price” and a description of certain adjustments and provisions for the receipt of alternative consideration that may be applicable to the conversion of Series C Preferred Stock in the event of a Change of Control, and for other important information, please see the section entitled “Description of the Series C Preferred Stock—Conversion Rights.” For definitions of “dividend payment date” and “dividend record date,” please see the section entitled “Description of the Series C Preferred Stock—Dividends.”

**Liquidation Preference** If we liquidate, dissolve or wind up, holders of the Series C Preferred Stock will have the right to receive \$25.00 per share, plus any accumulated and unpaid dividends to, but not including, the date of payment, before any payment is made to the holders of our common stock. Please see the section entitled “Description of the Series C Preferred Stock— Liquidation Preference.”

**Ranking** The Series C Preferred Stock will rank, with respect to rights to the payment of dividends and the distribution of assets upon our liquidation, dissolution or winding up, (A) senior to all classes or series of our common stock and to all other equity securities issued by us other than equity securities referred to in clauses (B) and (C); (B) junior to our Series B Redeemable Preferred Stock, or Series B Preferred Stock, and junior to all equity securities issued by us which do not have dividend rights and with terms specifically providing that those equity securities rank senior to the Series C Preferred Stock with respect to rights to the distribution of assets upon our liquidation, dissolution or winding up; (C) on parity with all other equity securities issued by us with terms specifically providing that those equity securities rank on parity with the Series C Preferred Stock with respect to rights to the distribution of our assets upon liquidation, dissolution or winding up and (D) effectively junior to all of our existing and future indebtedness and to the indebtedness of our existing subsidiaries and any future subsidiaries. Please see the section entitled “Description of the Series C Preferred Stock— Ranking.”

**Voting Rights** Holders of Series C Preferred Stock will generally have no voting rights. However, if we do not pay dividends on the Series C Preferred Stock for four or more quarterly dividend periods (whether or not consecutive), the holders of the Series C Preferred Stock (voting separately as a class with the holders of all other classes or series of our equity securities we may issue upon which similar voting rights have been conferred and are exercisable and which are entitled to vote as a class with the Series C Preferred Stock in the election referred to below) will be entitled to vote for the election of two additional directors to serve on our board of directors until we pay, or declare and set aside funds for the payment of, all dividends that we owe on the Series C Preferred Stock, subject to certain limitations described in the section entitled “Description of the Series C Preferred Stock—Voting Rights.” In addition, the affirmative vote of the holders of at least two-thirds of the outstanding shares of Series C Preferred Stock is required for us to authorize or issue any class or series of stock ranking senior to the Series C Preferred Stock with respect to the payment of dividends or the distribution of assets on liquidation, dissolution or winding up, to amend any provision of our amended and restated charter, as amended, so as to materially and adversely affect any rights of the Series C Preferred Stock or to take certain other actions. Please see the section entitled “Description of the Series C Preferred Stock—Voting Rights.”

**Information Rights** During any period in which we are not subject to Section 13 or 15(d) of the Exchange Act and any shares of Series C Preferred Stock are outstanding, we will use our best efforts to (i) transmit by mail (or other permissible means under the Exchange Act) to all holders of Series C Preferred Stock, as their names and addresses appear on our record books and without cost to such holders, copies of the annual reports on Form 10-K and quarterly reports on Form 10-Q that we would have been required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act if we were subject thereto (other than any exhibits that would have been required) and (ii) promptly, upon request, supply copies of such reports to any holders or prospective holder of Series C Preferred Stock, subject to certain exceptions described in this prospectus supplement. We will use our best efforts to mail (or otherwise provide) the information to the holders of the Series C Preferred Stock within 15 days after the respective dates by which a periodic report on Form 10-K or Form 10- Q, as the case may be, in respect of such information would have been required to be filed with the SEC, if we were subject to Section 13 or 15(d) of the Exchange Act, in each



case, based on the dates on which we would be required to file such periodic reports if we were a “non-accelerated filer” as such term is understood in the context of the Exchange Act.

**Listing** Our common stock and our Series C Preferred Stock each trade on the NYSE under the symbol “MILL” and “MILLprC,” respectively.

**Use of proceeds** We plan to use the net proceeds from this offering for general corporate purposes. Please see the section entitled “Use of Proceeds” in this prospectus supplement.

**Risk Factors** Investing in our preferred stock involves risks. You should carefully consider the risks described under “Risk Factors” in this prospectus supplement and accompanying prospectus, in our most recent Annual Report on Form 10-K and our subsequent Quarterly Reports on Form 10-Q as well as the other information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus before making a decision to invest in our common stock.

Material U.S. Federal Income Tax Considerations

For a discussion of the material federal income tax consequences of purchasing, owning and disposing of the Series C Preferred Stock and any common stock received upon conversion of the Series C Preferred Stock, please see the section entitled “Material Federal Income Tax Considerations.” You should consult your tax advisor with respect to the U.S. federal income tax consequences of owning the Series C Preferred Stock in light of your own particular situation and with respect to any tax consequences arising under the laws of any state, local, foreign or other taxing jurisdiction.

Book-Entry and Form

The Series C Preferred Stock will be represented by one or more global certificates in definitive, fully registered form deposited with a custodian for, and registered in the name of, Cede & Co., the nominee of The Depository Trust Company, or “DTC.”

S-5

## RISK FACTORS

Investing in our securities involves risks. Our business, financial condition, operating results and cash flows can be impacted by a number of factors, any of which could cause our results to vary materially from recent results or from our anticipated future results. See the risk factors described in our Annual Report on Form 10-K for the fiscal year ended April 30, 2012, as amended, together with any material changes thereto contained in subsequent filed Quarterly Reports on Form 10-Q, and those contained in our other filings with the SEC, which are incorporated by reference in this prospectus supplement. Before making an investment decision, you should carefully consider these risks as well as other information we include or incorporate by reference in this prospectus supplement and the accompanying prospectus. These risks could materially affect our business, results of operations or financial condition and cause the value of our securities to decline. You could lose all or part of your investment.

***In preparing our consolidated financial statements for the fiscal years 2011 and 2012, we and our independent public accounting firms identified material weaknesses and significant deficiencies in our internal control over financial reporting. If we fail to achieve or maintain an effective internal control system over financial reporting, we may be unable to accurately and timely report our financial results or prevent fraud, and investor confidence and the market price of our shares may, therefore, be adversely impacted.***

In the course of the preparation and audit of our consolidated financial statements for the fiscal years 2011 and 2012, we and our independent registered public accounting firms identified a number of deficiencies in our internal control over financial reporting, including “material weaknesses” and “significant deficiencies” as defined in the standards established by the U.S. Public Company Accounting Oversight Board Standard. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis, and a significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, but important enough to merit attention by those responsible for oversight of the company’s financial reporting.

The material weaknesses identified for the fiscal years 2011 and 2012 during the course of the audit completed in April 2012 related to a lack of human resources in our accounting and finance departments.

***The Series C Preferred Stock ranks junior to our Series B Preferred Stock and to all of our indebtedness and other liabilities and is effectively junior to all indebtedness and other liabilities of our subsidiaries.***

In the event of our bankruptcy, liquidation, dissolution or winding-up of our affairs, our assets will be available to pay obligations on the Series C Preferred Stock only after all of our indebtedness and other liabilities have been paid. The

rights of holders of the Series C Preferred Stock to participate in the distribution of our assets will rank junior to the prior claims of our current and future creditors, to our Series B Preferred Stock and any future series or class of preferred stock we may issue that ranks senior to the Series C Preferred Stock. As of the date hereof, 25,750 shares of Series B Preferred Stock, having a liquidation value of \$2,575,000, are outstanding. In addition, the Series C Preferred Stock effectively ranks junior to all existing and future indebtedness and other liabilities of (as well as any preferred equity interests held by others in) our existing subsidiaries and any future subsidiaries. Our existing subsidiaries are and any future subsidiaries would be separate legal entities and have no legal obligation to pay any amounts to us in respect of dividends due on the Series C Preferred Stock. If we are forced to liquidate our assets to pay our creditors, we may not have sufficient assets to pay amounts due on any or all of the Series C Preferred Stock then outstanding. We and our subsidiaries have incurred and may in the future incur substantial amounts of debt and other obligations that will rank senior to the Series C Preferred Stock. At January 31, 2013, we had approximately \$42.2 million of indebtedness, on a consolidated basis (including obligations arising under our Series B Preferred Stock), ranking senior to the Series C Preferred Stock. Our Loan Agreement dated June 29, 2012 among us as borrower, Apollo Investment Corporation, as administrative agent, and the lenders party thereto from time to time, as the same may be amended from time to time (the "Apollo Loan Agreement"), prohibits payments of dividends on the Series C Preferred Stock if we fail to comply with certain financial covenants or, at certain times, if a default or event of default has occurred. Certain of our other existing or future debt instruments may restrict the authorization, payment or setting apart of dividends on the Series C Preferred Stock.

Future offerings of debt or senior equity securities may adversely affect the market price of the Series C Preferred Stock. If we decide to issue debt or senior equity securities in the future, it is possible that these securities will be governed by an indenture or other instruments containing covenants restricting our operating flexibility. Additionally, any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of the Series C Preferred Stock and may result in dilution to owners of the Series C Preferred Stock. We and, indirectly, our shareholders, will bear the cost of issuing and servicing such securities. Because our decision to issue debt or equity securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. The holders of the Series C Preferred Stock will bear the risk of our future offerings, reducing the market price of the Series C Preferred Stock and diluting the value of their holdings in us.

***We may not be able to pay dividends on the Series C Preferred Stock.***

Under Tennessee law, cash dividends on capital stock may be paid from net earnings and only if (1) we would still be able to pay our debts as they become due in the usual course of business after giving effect to the dividend payment, and (2) our total assets are not less than the sum of our total liabilities plus the amount that would be needed if we were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights on dissolution are superior to those receiving the distribution. Our ability to pay cash dividends on the Series C Preferred Stock will require us to be profitable and to have positive net assets (total assets less total liabilities) over our capital. Further, notwithstanding these factors, we may not have sufficient cash to pay dividends on the Series C Preferred Stock. Our ability to pay dividends may be impaired if any of the risks described in this prospectus supplement and the accompanying prospectus or incorporated by reference in this prospectus supplement and in the accompanying prospectus, were to occur. In addition, payment of our dividends depends upon our financial condition and other factors as our board of directors may deem relevant from time to time. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to make distributions on our common stock and preferred stock, including the Series C Preferred Stock offered by this prospectus supplement and accompanying prospectus, to pay our indebtedness or to fund our other liquidity needs.

***The Series C Preferred Stock has not been rated.***

We have not sought to obtain a rating for the Series C Preferred Stock. No assurance can be given, however, that one or more rating agencies might not independently determine to issue such a rating or that such a rating, if issued, would not adversely affect the market price of the Series C Preferred Stock. In addition, we may elect in the future to obtain a rating for the Series C Preferred Stock, which could adversely affect the market price of the Series C Preferred Stock. Ratings only reflect the views of the rating agency or agencies issuing the ratings and such ratings could be revised downward, placed on a watch list or withdrawn entirely at the discretion of the issuing rating agency if in its judgment circumstances so warrant. Any such downward revision, placing on a watch list or withdrawal of a rating could have an adverse effect on the market price of the Series C Preferred Stock.

***You may not be able to exercise conversion rights upon a Change of Control, and, if exercisable, these conversion rights may not adequately compensate you.***

Upon the occurrence of a Change of Control, each holder of the Series C Preferred Stock will have the right (unless, prior to the Change of Control Conversion Date, we have provided notice of our election to redeem some or all of the shares of Series C Preferred Stock held by such holder as described under “Description of Series C Preferred Stock—Redemption—Optional Redemption” or “—Special Optional Redemption,” in which case such holder will have the right only with respect to shares of Series C Preferred Stock that are not called for redemption) to convert some or all of such holder’s Series C Preferred Stock into our shares of common stock (or under specified circumstances involving certain alternative consideration).

Although we generally may not redeem the Series C Preferred Stock prior to November 1, 2017, we have a special optional redemption right to redeem the Series C Preferred Stock in the event of a Change of Control, and holders of the Series C Preferred Stock will not have the right to convert any shares that we have elected to redeem prior to the Change of Control Conversion Date. Please see the sections entitled “Description of the Series C Preferred Stock—Redemption—Special Optional Redemption” and “Description of the Series C Preferred Stock—Conversion Rights.”

If we do not elect to redeem the Series C Preferred Stock prior to the Change of Control Conversion Date, then upon an exercise of the conversion rights provided for in this prospectus supplement, the holders of Series C Preferred Stock will be limited to a maximum number of shares of our common stock (or, if applicable, the Alternative Conversion Consideration (as defined herein)) equal to the Share Cap (as defined herein) multiplied by the number of shares of Series C Preferred Stock converted.

***Change of control conversion rights may make it more difficult for a party to acquire us or discourage a party from acquiring us.***

The Change of Control conversion feature of the Series C Preferred Stock may have the effect of discouraging a third party from making an acquisition proposal for us or of delaying, deferring or preventing certain of our change of control transactions under circumstances that otherwise could provide the holders of our common stock and Series C Preferred Stock with the opportunity to realize a premium over the then-current market price of such stock or that shareholders may otherwise believe is in their best interests.

***The market price of the Series C Preferred Stock could be substantially affected by various factors.***

The market price of the Series C Preferred Stock will depend on many factors, which may change from time to time, including:

• prevailing interest rates, increases in which may have an adverse effect on the market price of the Series C Preferred Stock;

• trading prices of common and preferred equity securities issued by other energy companies;

• the annual yield from distributions on the Series C Preferred Stock as compared to yields on other financial instruments;

• general economic and financial market conditions;

• government action or regulation;

• the financial condition, performance and prospects of us and our competitors;

• changes in financial estimates or recommendations by securities analysts with respect to us, or competitors in our industry;

• our issuance of additional preferred equity or debt securities; and

actual or anticipated variations in quarterly operating results of us and our competitors.

As a result of these and other factors, investors who purchase the Series C Preferred Stock in this offering may experience a decrease, which could be substantial and rapid, in the market price of the Series C Preferred Stock, including decreases unrelated to our operating performance or prospects.

***We may issue additional shares of Series C Preferred Stock and additional series of preferred stock that rank on parity with the Series C Preferred Stock as to dividend rights, rights upon liquidation or voting rights.***

We are allowed to issue additional shares of Series C Preferred Stock and additional series of preferred stock that would rank equally to the Series C Preferred Stock as to dividend payments and rights upon our liquidation, dissolution or winding up of our affairs pursuant to our amended and restated charter, as amended, and the articles of amendment for the Series C Preferred Stock without any vote of the holders of the Series C Preferred Stock. The issuance of additional shares of Series C Preferred Stock and preferred stock that would rank on parity with the Series C Preferred Stock could have the effect of reducing the amounts available to the Series C Preferred Stock issued in this offering upon our liquidation or dissolution or the winding up of our affairs. It also may reduce dividend payments on the Series C Preferred Stock issued in this offering if we do not have sufficient funds to pay dividends on all Series C Preferred Stock outstanding and other classes of stock with equal priority with respect to dividends.

In addition, although holders of Series C Preferred Stock are entitled to limited voting rights, as described in “Description of the Series C Preferred Stock—Voting Rights,” with respect to such matters, the Series C Preferred Stock will vote separately as a class along with the holders of all other classes or series of our equity securities we may issue upon which similar voting rights have been conferred and are exercisable and which are entitled to vote as a class with the Series C Preferred Stock. As a result, the voting rights of holders of Series C Preferred Stock may be significantly diluted, and the holders of such other series of preferred stock that we may issue may be able to control or significantly influence the outcome of any vote.

Future issuances and sales of preferred stock ranking on parity with the Series C Preferred Stock, or the perception that such issuances and sales could occur, may cause prevailing market prices for the Series C Preferred Stock and our common stock to decline and may adversely affect our ability to raise additional capital in the financial markets at times and prices favorable to us.



***As a holder of Series C Preferred Stock, you will have extremely limited voting rights.***

Your voting rights as a holder of Series C Preferred Stock will be limited. Our shares of common stock are the only class of our securities that carry full voting rights. Voting rights for holders of Series C Preferred Stock exist primarily with respect to the ability to elect, voting together with the holders of any other classes or series of our equity securities we may issue upon which similar voting rights have been conferred and are exercisable and which are entitled to vote as a class with the Series C Preferred Stock, two additional directors to our board of directors, subject to limitations described in the section entitled “Description of the Series C Preferred Stock—Voting Rights,” in the event that four quarterly dividends (whether or not consecutive) payable on the Series C Preferred Stock are in arrears, and with respect to voting on amendments to our amended and restated charter, as amended, or articles of amendment relating to the Series C Preferred Stock that materially and adversely affect the rights of the holders of Series C Preferred Stock or authorize, increase or create additional classes or series of our shares that are senior to the Series C Preferred Stock. Other than the limited circumstances described in this prospectus supplement, holders of Series C Preferred Stock will not have any voting rights. Please see the section entitled “Description of the Series C Preferred Stock—Voting Rights.”

***Disruptions in the financial markets could affect our ability to obtain financing on reasonable terms and have other adverse effects on us and the market price of the Series C Preferred Stock.***

Over the last several years, the United States stock and credit markets have experienced significant price volatility, dislocations and liquidity disruptions, which have caused market prices of many stocks and debt securities to fluctuate substantially and the spreads on prospective debt financings to widen considerably. More recently, the financial crisis in Europe (which relates primarily to concerns that certain European countries may be unable to pay their national debt) has had a similar, although less pronounced, effect. These circumstances have materially impacted liquidity in the financial markets, making terms for certain financings less attractive and in certain cases have resulted in the unavailability of certain types of financing. Unrest in certain Middle Eastern countries and the resultant increase in petroleum prices have added to the uncertainty in the capital markets. Such uncertainty will lead to continued volatility in the stock and credit markets and may negatively impact our ability to access additional financing at reasonable terms. A prolonged downturn in the stock or credit markets may cause us to seek alternative sources of potentially less attractive financing. These types of events in the stock and credit markets may make it more difficult or costly for us to raise capital through the issuance of our common stock, preferred stock or debt securities. These disruptions may have a material adverse effect on the market value of our common stock and preferred stock, including the Series C Preferred Stock offered pursuant to this prospectus supplement and accompanying prospectus, the return we receive on our investments, as well as other unknown adverse effects on us or the economy in general.

***The Series C Preferred Stock is a relatively new issue of securities and has only a limited trading market, which may negatively affect its value and your ability to transfer and sell your shares.***

The Series C Preferred Stock is a relatively new issue of securities with only a limited trading market. The volume of trades of shares of the Series C Preferred Stock on the NYSE is often low, and an active trading market on the NYSE for the Series C Preferred Stock may not be maintained in the future and may not provide you with adequate liquidity. The liquidity of any market for the Series C Preferred Stock that may exist now or in the future will depend on a number of factors, including prevailing interest rates, the dividend rate on our common stock, our financial condition and operating results, the number of holders of the Series C Preferred Stock, the market for similar securities and the interest of securities dealers in making a market in the Series C Preferred Stock. As a result, the ability to transfer or sell the Series C Preferred Stock and could be adversely affected.

***If the Series C Preferred Stock or our common stock is delisted, your ability to transfer or sell your shares of the Series C Preferred Stock may be limited, and the market value of the Series C Preferred Stock will likely be materially adversely affected.***

Other than in connection with a Change of Control, the Series C Preferred Stock does not contain provisions that are intended to protect you if our common stock is delisted from the NYSE. Since the Series C Preferred Stock has no stated maturity date, you may be forced to hold your shares of the Series C Preferred Stock and receive stated dividends on the Series C Preferred Stock when, as and if authorized by our board of directors and paid by us with no assurance as to ever receiving the liquidation value thereof. In addition, if our common stock is delisted from the NYSE, it is likely that the Series C Preferred Stock will be delisted from the NYSE as well. Accordingly, if the Series C Preferred Stock or our common stock is delisted from the NYSE, your ability to transfer or sell your shares of the Series C Preferred Stock may be limited and the market value of the Series C Preferred Stock will likely be materially adversely affected.

*We will have broad discretion over the use of the net proceeds from this offering, you may not agree with how we use the proceeds and we may not invest the proceeds successfully.*

We intend to use the net proceeds, if any, from this offering for general corporate purposes. Accordingly, we will have broad discretion as to the use of the net proceeds from any offering by us and could use them for purposes other than those contemplated at the time of this offering. Accordingly, you will be relying on the judgment of our management with regard to the use of these net proceeds, and you will not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately. It is possible that the proceeds will be invested in a way that does not yield a favorable, or any, return for our Company.

## **RATIO OF EARNINGS TO FIXED CHARGES**

The following table sets forth our historical ratios of earnings to fixed charges for the periods indicated. This information should be read in conjunction with the consolidated financial statements and the accompanying notes incorporated by reference here in.

	Year Ended April 30,				
	2012	2011	2010	2009	2008
(Unaudited, in thousands except ratios)					
Pretax income	\$(29,696)	\$(10,161)	\$435,618	\$8,357	\$(2,436)
Fixed charges:					
Interest expense, net of capitalized interest	724	989	898	212	368
Interest capitalized	3,700	—	—	—	—
Amortization of debt costs	1,123				