

November 16, 2016

\$72.1 Million

Follow-On Offering



*The undersigned served as a
Co-Manager on the offering*

Stephens Inc.

Transaction Details

- On November 16, 2016, Sanchez Production Partners LP (NYSE MKT:SPP) (“SPP” or the “Partnership”) priced a public offering of common units for total gross proceeds of approximately \$72.1 million
- The deal priced 6,550,802 common units representing limited partner interests in SPP at \$11.00 per share
 - All shares were primary shares offered by the Company
- SPP intends to use the net proceeds received in connection with the offering, together with borrowings under the Partnership’s credit facility, as follows:
 - i. To acquire a 50% equity interest in Carnero Processing, LLC from Sanchez Energy (NYSE:SN) ("Sanchez Energy"); and
 - ii. To pay the purchase price for certain wellbores and escalating working interests and other production assets that SPP intends to acquire from Sanchez Energy
- Stephens Inc. served as a Co-Manager on this transaction

According to the Partnership’s Press Release:

SPP is a publicly-traded limited partnership focused on the acquisition, development, ownership and operation of midstream and production assets in North America. The Partnership owns an oil and natural gas gathering and processing system located in the Eagle Ford Shale in Dimmit, Webb and La Salle Counties, Texas. The Partnership also currently owns producing reserves in the Eagle Ford Shale in South Texas, the Gulf Coast region of Texas and Louisiana, and across several basins in Oklahoma and Kansas. The Partnership previously announced and continues to explore the possible divestiture of its remaining assets and operations in Oklahoma and Kansas.

Sources: Partnership filings.

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