

LRR Energy, L.P.
Form 8-K
May 07, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 2, 2012**

LRR Energy, L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-35344
(Commission File Number)

90-0708431
(I.R.S. Employer
Identification No.)

Heritage Plaza
1111 Bagby Street, Suite 4600
Houston, Texas 77002

(Address of principal executive offices)

Registrant's Telephone Number, including Area Code: **(713) 292-9510**

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Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On May 2, 2012, LRR Energy, L.P., a Delaware limited partnership (the Partnership), entered into a Purchase and Sale Agreement (the Purchase Agreement) among Lime Rock Resources A, L.P., a Delaware limited partnership (LRR A), Lime Rock Resources B, L.P., a Delaware limited partnership (LRR B), Lime Rock Resources C, L.P., a Delaware limited partnership (LRR C, and together with LRR A and LRR B, the Seller) and the Partnership and LRE Operating, LLC, a Delaware limited liability company and wholly owned subsidiary of the Partnership (Operating LLC, and together with the Partnership, the Buyer), pursuant to which the Seller agreed to sell certain oil and natural gas properties located in the Permian Basin region in New Mexico and onshore Gulf Coast region in Texas to the Buyer in exchange for \$67.0 million in cash consideration, subject to customary purchase price adjustments. The Partnership expects to finance the acquisition with borrowings under its revolving credit facility.

The Purchase Agreement contains representations and warranties, covenants and indemnification provisions that are typical for transactions of this nature. The transactions contemplated by the Purchase Agreement are expected to close on or about June 1, 2012, subject to certain third-party approvals and other customary closing conditions. There can be no assurance that all of the conditions to closing will be satisfied.

Relationships

The general partner of the Partnership, LRE GP, LLC, a Delaware limited liability company (the General Partner), is ultimately controlled by the co-founders of Lime Rock Management LP, a Delaware limited partnership (Lime Rock Management), who also ultimately control the Seller. The Seller owns 5,049,600 common units and 6,720,000 subordinated units representing limited partner interests in the Partnership representing an aggregate 52.4% limited partner interest in the Partnership and, through the Seller's Class B interest in the General Partner, is entitled to receive 100% of the distributions the Partnership makes with respect to the incentive distribution rights held by the General Partner through November 16, 2017. The General Partner also owns an approximate 0.1% general partner interest in the Partnership, represented by 22,400 general partner units. In addition, the non-independent directors and executive officers of the General Partner, other than the General Partner's Chief Financial Officer, serve in similar capacities with, and own economic interests, investments and other economic incentives in, Lime Rock Management, the Seller and their affiliates.

The Purchase Agreement was approved by the board of directors (the Board) of the General Partner on May 2, 2012 and on May 1, 2012 by the Board's conflicts committee, which is comprised entirely of directors meeting the independence standards of the New York Stock Exchange and the Securities and Exchange Act of 1934, as amended (the Exchange Act). The conflicts committee retained independent legal and financial advisors to assist it in evaluating and negotiating the transaction.

Item 2.02 Results of Operations and Financial Condition.

On May 7, 2012, the Partnership issued a press release announcing its financial results for the three months ended March 31, 2012. This press release is being furnished with this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

The information provided in this Item 2.02 (including Exhibit 99.1) shall not be deemed to be filed for the purposes of Section 18 of the Exchange Act, nor shall it be incorporated by reference in any filing made by the Partnership pursuant to the Securities Act of 1933, as amended,

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or the Exchange Act, other than to the extent that such filing incorporates by reference any or all of such information by express reference thereto.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release of LRR Energy, L.P. issued May 7, 2012.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LRR ENERGY, L.P.

By: LRE GP, LLC,
its general partner

Date: May 7, 2012

By: /s/ Jaime R. Casas
Name: Jaime R. Casas
Title: Vice President, Chief Financial Officer
and Secretary

Exhibit Index

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