

Sanchez Production Partners LP
 Form 4
 May 12, 2017

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2015
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Sanchez Patricio D.

2. Issuer Name and Ticker or Trading Symbol
 Sanchez Production Partners LP [SPP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1000 MAIN STREET, SUITE 3000
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/10/2017

Director 10% Owner
 Officer (give title below) Other (specify below)
 President & COO

HOUSTON, TX 77002

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)			
			Code	V	Amount	(A) or (D)	Price			
Common Units	05/10/2017		A ⁽¹⁾⁽²⁾		139,110	A	\$ 14.59	139,110	I	By SP Holdings, LLC ⁽³⁾
Common Units	05/10/2017		J ⁽¹⁾⁽²⁾		139,110	D	\$ 0	0	I	By SP Holdings, LLC ⁽³⁾
Common Units								304,530 ⁽¹⁾ <u>(2)</u>	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not

SEC 1474 (9-02)

required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Transaction (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Sanchez Patricio D. 1000 MAIN STREET, SUITE 3000 HOUSTON, TX 77002	X		President & COO	

Signatures

/s/ Alfredo Gutierrez,
Attorney-in-Fact
**Signature of Reporting Person

05/12/2017
Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents an anticipated distribution to SP Holdings, LLC ("SP Holdings") of 139,110 Issuer common units pursuant to the Amended and Restated Shared Services Agreement, by and between Issuer and SP Holdings, dated March 6, 2015 (the "Shared Services Agreement"), and an anticipated concurrent distribution by SP Holdings of all 139,110 common units to its sole member, SP Capital Holdings, LLC ("SP Capital"), for no consideration.
- (2) Concurrently with such aforementioned distributions, SP Capital will distribute (i) 128,677 common units to its members on a pro rata basis and for no consideration (including the 33,456 common units distributed to Patricio Sanchez) and (ii) the remaining 10,433 common units to one individual, cumulatively resulting in exempt distributions under Rule 16a-9 and/or Rule 16a-13 of 139,110 Issuer common units to SP Capital, 128,677 common units to the members of SP Capital (including Patricio Sanchez) and 10,433 common units to one individual.
- (3) These common units will be owned directly by SP Holdings. SP Holdings is owned and controlled by its sole member, SP Capital. SP Capital is managed by Patricio Sanchez and other members of the Sanchez family. Patricio Sanchez may be deemed to share voting and dispositive power over the securities controlled by SP Capital. Patricio Sanchez disclaims beneficial ownership of these securities except

Edgar Filing: Sanchez Production Partners LP - Form 4

to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership by Patricio Sanchez of the reported securities for purposes of Section 16 or any other purpose.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.