

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): **June 14, 2020**

Sanchez Midstream Partners LP

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	001-33147 (Commission File Number)	11-3742489 (IRS Employer Identification No.)
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1000 Main Street, Suite 3000 Houston, TX (Address of principal executive offices)	77002 (Zip Code)
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Registrant's telephone number, including area code: **(713) 783-8000**

(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Units representing limited partner interests	SNMP	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Explanatory Note

As previously disclosed, on August 11, 2019, Sanchez Energy Corporation (“SN”) and certain of its subsidiaries, consisting of SN Palmetto, LLC, SN Marquis LLC, SN Cotulla Assets, LLC, SN Operating, LLC, SN TMS, LLC, SN Catarina, LLC, Rockin L Ranch Company, LLC, SN Payables, LLC, SN EF Maverick, LLC (“SN Maverick”) and SN UR Holdings, LLC (collectively with SN, the “Debtors”), filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code (the “Bankruptcy Code”) in the U.S. Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”). The Debtors’ Chapter 11 cases are jointly administered under the caption *In re Sanchez Energy Corporation*, Case No. 19-34508.

On April 30, 2020, the Bankruptcy Court entered the *Order Approving Disclosure Statement and Confirming Second Amended Joint Chapter 11 Plan of Reorganization of Sanchez Energy Corporation and Its Debtor Affiliates*, which approved and confirmed the *Second Amended Joint Chapter 11 Plan of Reorganization of Sanchez Energy Corporation and Its Debtor Affiliates* (as amended, modified or supplemented from time to time, the “Plan”). The effective date of the Plan (the “Effective Date”) will occur as soon as all conditions precedent to the Plan have been satisfied.

Item 1.01 Entry into a Material Definitive Agreement

On June 14, 2020, Sanchez Midstream Partners LP (the “Partnership”) and Sanchez Midstream Partners GP LLC, the sole general partner of the Partnership (the “General Partner”), (A) each entered into, (B) caused and approved the Partnership’s wholly-owned subsidiaries Catarina Midstream LLC (“Catarina Midstream”) and Seco Pipeline, LLC (“Seco Pipeline”) entering into, and (C) approved Carnero G&P LLC (“Carnero G&P”), a joint-venture in which the Partnership owns a fifty percent (50%) interest, entering into, in each case, that certain Amendment Agreement (the “Amendment”) with the Debtors, SP Holdings, LLC, the sole member of the General Partner (“SP Holdings”), and TPL SouthTex Processing Company LP (“Targa”, and collectively with each of the Partnership, the General Partner, Catarina Midstream, Seco Pipeline, Carnero G&P, the Debtors and SP Holdings, the “Parties”, and each a “Party”) to amend that certain Settlement Agreement (the “Settlement Agreement”) previously entered into by and among the Parties on June 6, 2020 (the “Settlement Agreement”). A summary of the terms of the Amendment is set forth below.

Pursuant to the Amendment, among other things, (i) effective as of the date in which the Bankruptcy Court enters into an order that is reasonably acceptable to the Parties pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure approving the Settlement Agreement, each of the Carnero Agreements (as defined in the Settlement Agreement) and the Catarina Gathering Agreement (as defined in the Settlement Agreement) will be deemed assumed or otherwise ratified for all purposes under the Plan (but not amended by the applicable agreements contemplated by the Settlement Agreement) and (ii) effective as of the Closing Date (as defined in the Settlement Agreement), each of the Carnero Agreements and the Catarina Gathering Agreement will be amended by the applicable agreements contemplated by the Settlement Agreement, and the terms of the Carnero Agreements and the Catarina Gathering Agreement, as amended by the applicable agreement contemplated by the Settlement Agreement, will automatically be effective as of the Closing Date.

In addition, pursuant to the Amendment, consummation of the transactions contemplated by the Settlement Agreement is subject to satisfaction or waiver, among other things, of the condition precedent that the Bankruptcy Court has entered into one or more orders (none of which are subject to a stay imposed by a court of competent jurisdiction) approving the Debtors' assumption of the Assumption Agreements as described in the Settlement Agreement (the "Assumption Order(s)"), and for the Assumption Agreements that are not assumed pursuant to an Assumption Order (if any), such Assumption Agreements have been deemed assumed pursuant to the Plan; *provided* that with respect to any Assumption Agreements that the Bankruptcy Court determines are not subject to assumption under Section 365 of the Bankruptcy Code (if any), entry of one or more orders by the Bankruptcy Court (none of which shall be subject to a stay imposed by a court of competent jurisdiction) finding that, in each case, such Assumption Agreements continue to be binding upon the Debtor parties thereto.

The foregoing description of the Amendment does not purport to be complete and is qualified in its entirety by reference to such document, which is filed as Exhibit 10.1 hereto and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits.*

<u>Exhibit No.</u>	<u>Exhibit</u>
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10.1	<u>Amendment Agreement, dated as of June 14, 2020, by and among Sanchez Energy Corporation, SN Palmetto, LLC, SN Marquis LLC, SN Cotulla Assets, LLC, SN Operating, LLC, SN TMS, LLC, SN Catarina, LLC, Rockin L Ranch Company, LLC, SN Payables, LLC, SN EF Maverick, LLC, SN UR Holdings, LLC, Catarina Midstream, LLC, Carnero G&P LLC, Seco Pipeline, LLC, Sanchez Midstream Partners LP, Sanchez Midstream Partners GP, LLC, SP Holdings, LLC, and TPL SouthTex Processing Company LP.</u>
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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.

SANCHEZ MIDSTREAM PARTNERS LP

By: Sanchez Midstream Partners GP LLC,
its general partner

Date: June 18, 2020

By: /s/ Charles C. Ward
Charles C. Ward
Chief Financial Officer and Secretary

AMENDMENT AGREEMENT

This Amendment Agreement, (this “**Agreement**”), is entered into on June 14, 2020, to be effective as of June 6, 2020 (the “**Effective Date**”), by and among (a) the Debtors, (b) Catarina Midstream, (c) Carnero G&P, (d) Seco Pipeline, (e) SNMP, (f) SP Holdings, LLC, (g) Targa and (h) Sanchez Midstream Partners GP, LLC, (each of (a) through (g) as defined in that certain Settlement Agreement by and among the parties hereto and dated as of June 6, 2020 (the “**Settlement Agreement**”). Each of the Debtors, Catarina Midstream, Carnero G&P, Seco Pipeline, SNMP, and Targa may be referred to in this Agreement individually as a “**Party**” and collectively as the “**Parties**.” Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Settlement Agreement.

Recitals

- A. The Parties entered into the Settlement Agreement as of June 6, 2020.
- B. The Parties desire to amend the Settlement Agreement as set forth in this Agreement.

Agreement

For and in consideration of the foregoing and the mutual covenants and agreements contained herein, and intending to be legally bound hereby, the Parties hereby agree as follows:

1. **Amendment of Settlement Agreement.** The Settlement Agreement is hereby amended as follows:
 - (a) All references to the “Agreement” in the Settlement Agreement shall be deemed to include the terms and conditions of this Agreement, as applicable.
 - (b) Section 2.2.1(d) is deleted in its entirety and replaced with the following:

“(d) Further, from and after the Approval Date, the Debtors will not remove any executory contracts or unexpired leases from the Schedule of Assumed Executory Contracts and Unexpired Leases (as defined in the Plan), including any of the Assumption Agreements, the removal of which would reasonably be expected to adversely affect the Debtors’ ability to perform any material obligation under either this Agreement or the agreements to be executed by the Parties pursuant to section 2.5.”
 - (c) Section 2.3 shall be amended as follows:
 - (i) The words—“under the current sole existing minimum volume commitment contract for residue gas should it continue to be in effect”—in the first sentence of section 2.3 are hereby be deleted and replaced with the following: “under the EFM Agreements (which contain the sole minimum volume commitments for residue gas from the Raptor Plant and the Brasada Plant) to the extent continuing in effect”.
 - (ii) The following sentence is added to the end of Section 2.3:

“Notwithstanding anything in this section to the contrary, nothing in this Section 2.3 shall require Debtors to violate any provision of the Confirmation Order.”

(d) Section 2.5.2 is deleted in its entirety and replaced with the following:

“2.5.2. *Assumption of Agreements.* The Parties agree that, effective as of the Approval Date, each of the Carnero Agreements and the Catarina Gathering Agreement will be deemed assumed or otherwise ratified for all purposes under the Plan (but not amended by the applicable Amendment Agreements) and that, effective as of the Closing Date, each of the Carnero Agreements and the Catarina Gathering Agreement will be deemed assumed or otherwise ratified for all purposes under the Plan, in each case as amended by the applicable Amendment Agreements; *provided, however*, the terms of the Carnero Agreements and the Catarina Gathering Agreement, as amended by the applicable Amendment Agreements, will automatically be effective as of the Closing without regard for the timing of compliance with section 2.5.1. For the avoidance of doubt, the Parties agree that no payments will be due from any of the Debtors, including in respect of any Cure Claims (as defined in the Plan) that may be asserted by any Party, in connection with assumption or ratification of the Carnero Agreements and the Catarina Gathering Agreement pursuant to this section 2.5.2 or otherwise; *provided, however*, that the Parties agree that all performance and payment obligations, including with respect to minimum volume commitments, that exist under the Carnero Agreements and other agreements being assumed by the Debtors in accordance with this Agreement shall continue in full force and effect subject only to the specific modifications under this Agreement and the Amendment Agreements.”

(e) The following is added as a new Section 4.4.3:

“4.4.3 The Bankruptcy Court shall have entered one or more orders (none of which shall be subject to a stay imposed by a court of competent jurisdiction) approving the Debtors’ assumption of the Assumption Agreements (the “**Assumption Order(s)**”) and, in the case of Assumption Agreements that are not assumed pursuant to an Assumption Order (if any), such Assumption Agreements shall have been deemed assumed pursuant to the Plan; *provided* that with respect to any Assumption Agreements that the Bankruptcy Court determines are not subject to assumption under Section 365 of the United States Bankruptcy Code (if any), entry of one or more orders by the Bankruptcy Court (none of which shall be subject to a stay imposed by a court of competent jurisdiction) finding that, in each case, such Assumption Agreements continue to be binding upon the Debtor parties thereto (and to the extent necessary for such finding that the Assumption Agreements have been properly ratified by the Debtors for all purposes under the Plan), and in all cases, assumption or ratification pursuant to this paragraph must be in accordance with the Plan.”

(f) The following is added as a new Section 4.5.3:

“4.5.3 The conditions set forth in Section 4.4.3 shall have been satisfied as required therein.”

2. **Effectiveness.** This Agreement and all amendments contemplated in this Agreement will become effective for all purposes as of the Effective Date.

3. ***Effect on Settlement Agreement.*** Except as expressly amended herein, the Settlement Agreement remains unchanged. The Parties acknowledge and agree that this Agreement shall in no manner impair or affect the validity or enforceability of the Settlement Agreement. All references to the Settlement Agreement shall mean such agreement as amended by this Agreement.

4. ***Incorporation of Terms.*** Sections 6.1, 6.2 and 6.5 through 6.13 of the Settlement Agreement are incorporated herein and made a part hereof, *mutatis mutandis*.

[Signature pages follow]

SANCHEZ ENERGY CORPORATION

By: /s/ Mohsin Meghji

Name: Mohsin Meghji

Title: Chief Restructuring Officer

SN PALMETTO, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SM MARQUIS, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SN COTULLA ASSETS, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SN OPERATING, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SN TMS, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SN CATARINA, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

ROCKIN L RANCH COMPANY, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SN PAYABLES, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SN EF MAVERICK, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SN UR HOLDINGS, LLC

By: SANCHEZ ENERGY CORPORATION,
its sole member

By: /s/ Mohsin Meghji
Name: Mohsin Meghji
Title: Chief Restructuring Officer

SP HOLDINGS, LLC

By: SP Capital Holdings, LLC,
its manager

By: /s/ Antonio R. Sanchez, III

Name: Antonio R. Sanchez, III

Title: *Manager*

SANCHEZ MIDSTREAM PARTNERS GP LLC

By:/s/ Gerald F. Willinger
Name:Gerald F. Willinger
Title:*Chief Executive Officer*

SANCHEZ MIDSTREAM PARTNERS LP

By:Sanchez Midstream Partners GP LLC,
its general partner

By:/s/ Gerald F. Willinger
Name:Gerald F. Willinger
Title:*Chief Executive Officer*

CATARINA MIDSTREAM, LLC

By:Sanchez Midstream Partners LP,
its sole member

By:Sanchez Midstream Partners GP LLC,
its general partner

By:/s/ Gerald F. Willinger
Name:Gerald F. Willinger
Title:*Chief Executive Officer*

SECO PIPELINE, LLC

By:Sanchez Midstream Partners LP,
its sole member

By:Sanchez Midstream Partners GP LLC,
its general partner

By:/s/ Gerald F. Willinger
Name:Gerald F. Willinger
Title:*Chief Executive Officer*

CARNERO G&P LLC

By: /s/ Patrick J. McDonie

Name: Patrick J. McDonie

Title: President

TPL SOUTHTEX PROCESSING COMPANY LP

By: TPL SouthTex Pipeline Company LLC,
its general partner

By: /s/ Patrick J. McDonie

Name: Patrick J. McDonie

Title: President – Gathering and Processing
