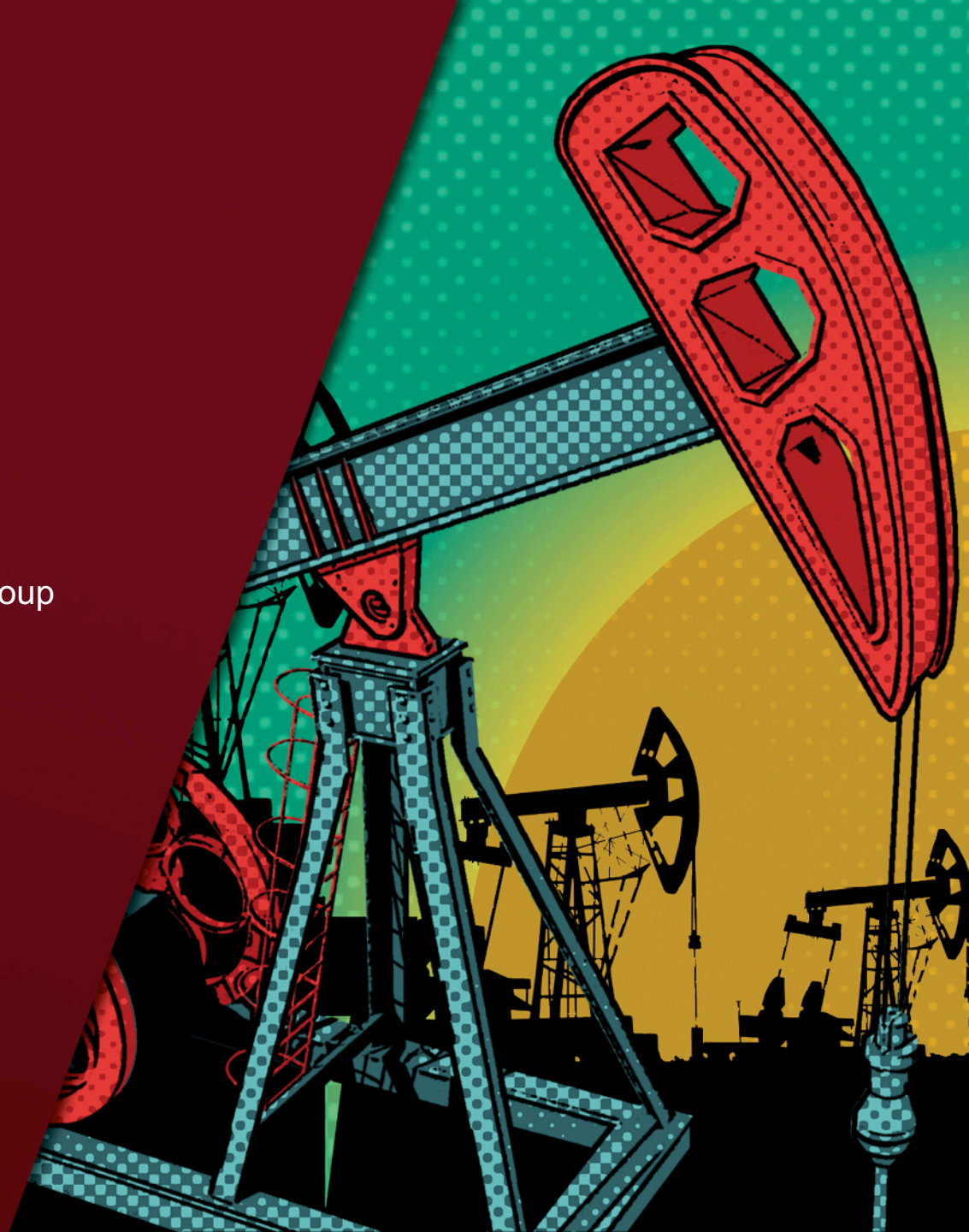


Private Capital Conference

Bill Nelson, Capital Markets Practice Group

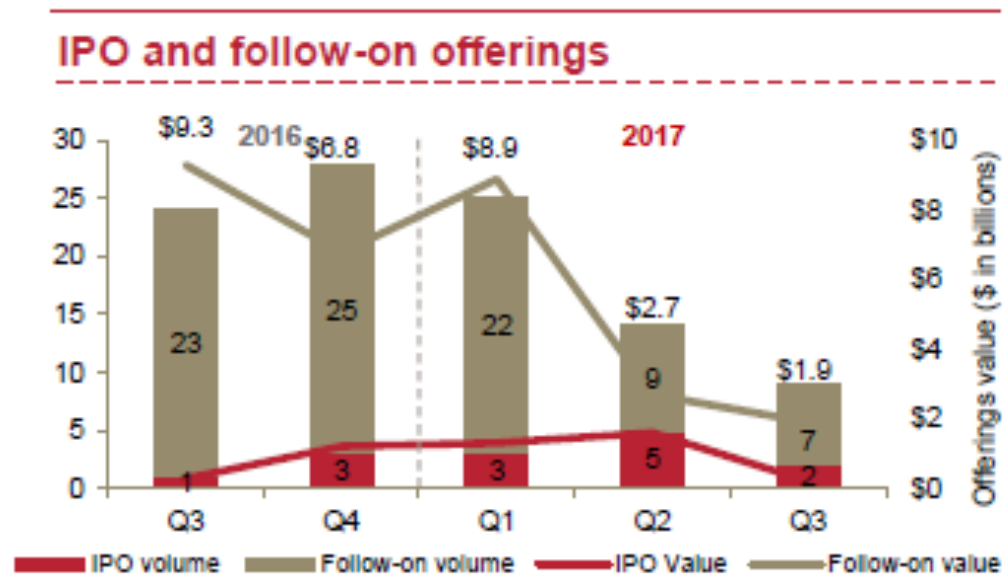
January 2018

haynesboone




2017 Trends – Public Markets

- Public equity markets for IPOs and follow-on offerings less strong in 2017



Source: PwC U.S. IPO Watch, ECM and DCM Analytics, and S&P LCD Comps

2017 and 2018 Trends – IPOs

Company	Facts	IPO Price	Closing Price on 01/24/2018	Price Change Since IPO
Q1 2017				
Keane Group (FRAC)	<ul style="list-style-type: none"> ▪ Raised \$508m ▪ Priced within the range ▪ Traded on the NYSE on 01/20/2017 	\$19.00	\$17.80	
Jagged Peak Energy (JAG)	<ul style="list-style-type: none"> ▪ Raised \$474m ▪ Priced below the range ▪ Traded on the NYSE on 01/27/2017 	\$15.00	\$14.38	
Kimbell Royalty Partners (KRP)	<ul style="list-style-type: none"> ▪ Raised \$90m ▪ Priced below the range ▪ Traded on the NYSE on 02/03/2017 	\$18.00	\$17.76	
ProPetro (PUMP)	<ul style="list-style-type: none"> ▪ Raised \$350m ▪ Priced below the range ▪ Traded on the NYSE on 03/17/2017 	\$14.00	\$21.43	
Q2 2017				
Hess Midstream (HESM)	<ul style="list-style-type: none"> ▪ Raised \$340m ▪ Priced above the range ▪ Traded on the NYSE on 04/05/2017 	\$23.00	\$21.74	
Select Energy Services (WTTR)	<ul style="list-style-type: none"> ▪ Raised \$122m ▪ Priced below the range ▪ Traded on the NYSE on 04/21/2017 	\$14.00	\$20.28	
NCS Multistage Holdings (NCSM)	<ul style="list-style-type: none"> ▪ Raised \$162m ▪ Priced within the range ▪ Traded on the NYSE on 04/28/2017 	\$17.00	\$18.42	
Antero Midstream GP (AMGP)	<ul style="list-style-type: none"> ▪ Raised \$875m ▪ Priced within the range ▪ Traded on the NYSE on 05/04/2017 	\$23.50	\$22.01	
Q3 2017				
Ranger Energy Services (RNGR)	<ul style="list-style-type: none"> ▪ Raised \$85m ▪ Priced below the range ▪ Traded on the NYSE on 08/11/2017 	\$14.50	\$10.55	
Oasis Midstream (OMP)	<ul style="list-style-type: none"> ▪ Raised \$128m ▪ Priced below the range ▪ Traded on the NYSE on 09/21/2017 	\$17.00	\$19.18	
Q4 2017				
BP Midstream (BPMP)	<ul style="list-style-type: none"> ▪ Raised \$765m ▪ Priced below the range ▪ Traded on the NYSE on 10/26/2017 	\$18.00	\$20.95	
Q1 2018				
Liberty Oilfield Services (LBRT)	<ul style="list-style-type: none"> ▪ Raised \$216m ▪ Priced above the range ▪ Traded on the NYSE on 01/12/2018 	\$17.00	\$22.92	
Nine Energy Service (NINE)	<ul style="list-style-type: none"> ▪ Raised \$161m ▪ Priced within the range ▪ Traded on the NYSE on 01/19/2018 	\$23.00	\$25.51	

2017 Trends – Dual Track

- Run simultaneous M&A and IPO processes
- Create bid tension even if none exists
 - Serious about an exit
- Opportunity to prepare for being public even if not through an IPO
- Prepared to maintain conservative leverage

2017 Trends – SPAC Transactions

- “Blank Check Company”
- Publicly-trade company that uses IPO proceeds to fund an acquisition to be determined after fundraising
- Nearly all IPO proceeds placed in trust; management has deadline to complete acquisition transaction
- Approval processes after acquisition identified

2017 Trends – Recent SPAC Acquisitions

- Silver Run Acquisition Corp. (Riverstone) - \$500 million
 - Acquisition of Centennial Resource Development, Inc. (July 2016)
- Silver Run Acquisition Corp. II (Riverstone) - \$1.035 billion
 - Alta Mesa and Kingfisher Midstream (August 2017)
- KLR Energy Acquisition Corp. - \$80 million
 - Tema Oil and Gas (December 2016)
 - Combined to form Rosehill Resources

2017 Trends – SPACs in Acquisition Mode

- Kayne Anderson Acquisition Corp. - \$350 million
- Vantage Energy Acquisition Corp. (NGP) - \$480 million
- TPG Pace Energy Holdings - \$650 million