



KKR and Riverstone Holdings to Form Trinity River Energy

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FORT WORTH, Texas, HOUSTON and NEW YORK, July 9, 2014 /PRNewswire/ -- Leading global private equity firms KKR and Riverstone Holdings LLC ("Riverstone") today announced the signing of a definitive agreement to merge the existing assets held by KKR Natural Resources Funds ("KNR") with the assets of Legend Production Holdings, LLC ("Legend"), a portfolio company of Riverstone, to create a new oil and gas company called Trinity River Energy, LLC ("Trinity" or "the Company"). Financial terms of the transaction were not disclosed.

Trinity will be headquartered in Fort Worth, Texas, led by Chris Hammack (the current President and CEO of Legend) and jointly owned by KNR and Riverstone. Trinity's operations executive team will be based in Fort Worth while its finance, accounting and information technology executive team will be based in Houston.

The transaction brings together the highly complementary producing properties and acreage positions of the existing KNR and Legend assets, creating one of the largest operators in the Barnett Shale, with approximately 258 mmcf/d of gross production in the basin. In addition to a large natural gas inventory in the Barnett Shale, Trinity will also have liquid-rich properties in the Permian Basin, East Texas, South Texas, Louisiana and Mississippi.

Mr. Hammack, CEO-elect of Trinity, said, "We are very pleased to be combining these two portfolios of assets. Following the combination, Trinity will have an impressive position in the Barnett Shale and a mix of other highly prospective plays. We feel confident that our strong financial backing and experienced teams will allow us to build a highly successful company together."

Jonathan Smidt, a Member of KKR who led the transaction, added, "We are excited to effect this highly synergistic combination of KNR's and Legend's existing oil and gas assets. This is an opportunity to create a company with greater scale and a significant presence in the Barnett Shale, and thereby we hope to capture meaningful operational synergies as well as create incremental opportunities to generate additional value for our investors going forward."

Pierre Lapeyre and David Leuschen, Co-Founders of Riverstone, said, "This merger creates a company with significant production in the Barnett Shale and attractive growth potential in the Permian Basin, Mississippi, Louisiana and Texas while also benefitting from a strong balance sheet. Importantly, the company will be led by an accomplished and talented management team with deep experience in these basins. We look forward to working with the company and KKR to help Trinity achieve its full potential."

The transaction, which is subject to customary closing conditions and regulatory approvals, is expected to close in the third quarter of 2014. KKR's investment in Trinity is being made by KNR. Future KNR acquisitions made with Fleur de Lis Energy, LLC will not be acquired by or otherwise form part of Trinity.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE: KKR), please visit KKR's website at www.kkr.com.

About Riverstone Holdings LLC

Riverstone is an energy and power-focused private investment firm founded in 2000 by David M. Leuschen and Pierre F. Lapeyre, Jr. with approximately \$27 billion of equity capital raised. Riverstone conducts buyout and growth capital investments in the exploration & production, midstream, oilfield services, power and renewable sectors of the energy industry. With offices in New York, London, Houston and Mexico City, the firm has committed approximately \$26.1 billion to 108 investments in North America, Latin America, Europe, Africa and Asia.

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