KKR Natural Resources and Fleur de Lis Energy to Acquire Permian Basin Properties from Linn Energy LLC

October 3, 2014

Natural Resources Platform Builds on Producing Oil and Gas Strategy with West Texas Acquisition

NEW YORK & DALLAS--(BUSINESS WIRE)-- KKR today announced that it has signed a definitive agreement to acquire certain oil and gas properties in Ector and Midland Counties of the Permian Basin (the “Assets”) from Linn Energy, LLC for $350 million. The transaction, which is expected to close in the fourth quarter, is being made through the KKR Natural Resources’ (“KNR”) partnership with Fleur de Lis Energy (“FDL”) that is focused on pursuing investments in producing North American oil and gas properties.

Commenting on the acquisition, FDL CEO Porter Trimble stated: “These are high quality assets that fit our acquisition and development strategy perfectly. This field has an extensive geologic column consisting of multiple producing horizons within the Permian Basin. This will allow the FDL team to access over 33 MMBOE of long life reserves.”

The Assets are comprised of over 7,200 contiguous acres producing from multiple hydrocarbon-rich zones, including the Strawn, Wolfcamp and Spraberry formations. FDL estimates fourth quarter production of over 5,200 boe/d, the majority of which is oil, and contain an attractive inventory of near-term development opportunities.

“We believe this represents an exciting opportunity to acquire high-quality producing assets that will benefit from ongoing development, and the application of new technologies, within the hydrocarbon rich Permian Basin. This is an important step as we continue to expand our natural resources platform in partnership with Fleur de Lis Energy,” said Jonathan Smidt, a Member of KKR and Head of KKR Natural Resources.

KKR announced its partnership with Fleur de Lis Energy in March 2014. Founded by former Merit Energy Company Vice Chairman, Porter Trimble, FDL currently manages a portfolio of natural gas producing assets in Southern Mississippi. This is KKR’s second investment behind operating partner FDL, following the July 2014 acquisition of Selma Chalk properties from Penn Virginia Corporation (NYSE: PVA).

KKR's Global Energy & Infrastructure business invests across the entire energy supply chain. Since 2009, KKR, through its investment funds and vehicles, has invested or committed approximately $4.7 billion to energy-related investments spanning buy-outs, minority equity investments, joint-ventures, and various asset-level and structured investments, making KKR one of the more active private-market investors in the energy space during this period.

About Fleur de Lis Energy

Fleur de Lis Energy, L.L.C., (FDL) is a private energy firm with over $1 billion of available capital to acquire, operate and exploit oil and gas assets in North America. Headquartered in Dallas, Texas, FDL's goal is to generate attractive risk adjusted returns and stable cash distributions to its investors through the acquisition, exploitation and operation of a diverse portfolio of oil and gas properties in North America. The FDL management team has successfully executed this strategy through all of the varying market cycles in the past 25 years. For more information, please visit FDL's website at www.fdlenergy.com.

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.

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Source: KKR & Co. L.P.