

KKR and Spur Energy Partners Form Partnership to Pursue Oil and Gas Opportunities

New Partnership to Acquire Permian Northwest Shelf Assets

HOUSTON, Texas — May 14, 2019 — Spur Energy Partners LLC (“Spur”) and KKR, a leading global investment firm, today announced the formation of a partnership to acquire large, high-margin oil and gas production and development assets across the Lower 48. The companies also announced the signing of a definitive agreement to acquire the Permian Northwest Shelf assets of Percussion Petroleum LLC.

The acquisition includes interests in approximately 380 gross producing wells and 22,000 net acres situated in the core of the Yeso formation in Eddy & Lea Counties, New Mexico, as well as associated water and midstream assets. During the first quarter of 2019, the assets produced approximately 9,200 net barrels of oil equivalent per day (85% liquids). The acquisition is expected to close in the second quarter of 2019, subject to customary closing conditions.

Spur is led by CEO Jay Graham, co-founder and former CEO of WildHorse Resource Development Corporation (“WRD”), along with a core team of executives and key technical personnel from WRD who have worked together for many years through multiple successful upstream oil & gas ventures. Spur intends to apply its proven expertise to acquire and enhance assets across the Lower 48 by combining strong commercial capabilities with a focus on operational efficiency and technical execution.

Jay Graham, Spur CEO, said, “Given their long-term approach and commitment to investing in scaled, cash flowing E&P assets with growth potential, KKR is the ideal partner for Spur as we look to build a large scale business in the oil and gas sector that creates value through exceptional technical and operational execution. We look forward to working together as we make our first investment in this high-quality asset with a strong existing production base and attractive development potential.”

Dash Lane, Managing Director on KKR’s Energy Real Assets team, commented, “This acquisition is the first step in what we expect to be a multi-billion dollar investment partnership with Spur, which we believe is well-positioned to create significant value in today’s oil and gas market. We have known the Spur team for many years, have seen firsthand their commercial and operational expertise, and are thrilled to be partnering with Jay and his team.”

The Spur and KKR partnership will be funded by funds affiliated with KKR’s Energy Real Assets strategy, which has invested approximately \$4.0 billion in capital across 12 transactions since 2015 and manages a portfolio of oil and gas assets in numerous unconventional and conventional resource areas across the United States.

About Spur Energy Partners

Spur Energy Partners was formed by management in 2019 with a commitment from KKR and is focused on delivering superior long-term investor returns by acquiring and

developing oil and gas assets with base production and substantial low-cost development inventory across the Lower 48.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic partners that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

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