

**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 9, 2022**

Summit Midstream Partners, LP

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35666
(Commission
File Number)

45-5200503
(IRS Employer
Identification No.)

910 Louisiana Street, Suite 4200
Houston, TX 77002
(Address of principal executive office) (Zip Code)

(Registrant's telephone number, including area code): **(832) 413-4770**

Not applicable

(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 Securities Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------|-------------------|---|
| Common Units | SMLP | New York Stock Exchange |

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.

Item 1.01 Entry into a Material Definitive Agreement.

On June 9, 2022, Summit Midstream Holdings, LLC (“SMP Holdings”), a wholly owned subsidiary of Summit Midstream Partners, LP (NYSE: SMLP) (“SMLP” or “the Partnership”), SMLP, solely for the assumption of liability with respect to certain excluded claims, and Longwood Gathering and Disposal Systems, LP (“Longwood”), a wholly owned subsidiary of Matador Resources Company (“Matador”) (NYSE: MTDR), entered into a definitive agreement (the “Purchase and Sale Agreement”) providing for the sale by SMLP Holdings to Longwood of all of the equity interests in Summit Midstream Permian, LLC (“Summit Permian”), a wholly owned subsidiary of SMLP Holdings, for a cash sale price of \$75.0 million, subject to customary sales price adjustments for net working capital, indebtedness and cash on hand at closing.

Summit Permian owns the Lane Gathering and Processing System, which includes approximately 45 miles of low and high pressure gathering pipeline in Eddy and Lea counties of New Mexico in the northern Delaware Basin, three compressor stations and a 60 million cubic feet per day cryogenic processing plant commissioned in December 2018.

In connection with the transaction, a subsidiary of the Partnership has agreed to release and Matador has agreed to assume take-or-pay firm capacity associated with the Lane Gathering and Processing System on the Double E Pipeline, a 1.35 billion cubic feet per day FERC-regulated interstate natural gas transmission pipeline that commenced operations in November 2021 and provides transportation service from multiple receipt points in the Delaware Basin to various delivery points in and around the Waha hub in Texas. The Partnership is the operator of the Double E Pipeline joint venture and owns a 70% interest.

The Partnership intends to use the proceeds from the transaction to reduce outstanding borrowings under its credit facility, for general partnership purposes or future acquisitions. The Purchase and Sale Agreement contains customary representations and warranties, covenants, indemnification and termination provisions. In addition, a subsidiary of the Partnership has agreed to provide customary transition services to Longwood. The transaction is subject to customary closing conditions and is expected to close in the second quarter of 2022.

Item 7.01 Regulation FD Disclosure

On June 9, 2022, the Partnership issued a press release announcing the disposition of the Lane Gathering and Processing System, a copy of which is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

The information furnished in this Item 7.01 shall not be deemed “filed” for purposes of the Securities Exchange Act of 1934, as amended (the “1934 Act”), and shall not be deemed incorporated by reference in any filing with the Securities and Exchange Commission, whether or not filed under the Securities Act of 1933, as amended, or the 1934 Act, regardless of any general incorporation language in such document.

Item 8.01 Other Events.

As previously disclosed in the Partnership’s Current Report on Form 10-Q for the quarter ended March 31, 2022, in order to attain its overall strategic objectives, SMLP may conduct an asset divestiture, or divestitures, at a transaction valuation that is less than the net book value of the divested asset.

As a result of the sale of the Lane Gathering and Processing System, the Partnership expects to record a non-cash impairment charge in the second quarter of 2022. The carrying value of the Lane Gathering and Processing System was approximately \$160 million as of December 31, 2021.

The Partnership does not expect the impairment charge to have any impact on future operations, nor affect its liquidity, cash flows from operating activities, or compliance with the financial covenants set forth in its debt instruments.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit Number | Description |
|----------------------|--|
| 99.1 | Press Release, dated as of June 9, 2022. |
| 104 | Cover Page Interactive Data File – the cover page XBRL tags are embedded within the Inline XBRL document |

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.

Summit Midstream Partners, LP

(Registrant)

By: Summit Midstream GP, LLC (its general partner)

Dated: June 10, 2022

/s/ William J. Mault

William J. Mault, Executive Vice President and Chief Financial Officer

Summit Midstream Partners, LP Announces Sale of its Lane Gathering and Processing System in the Delaware Basin to a Subsidiary of Matador Resources Company & Reiterates its 2022 Adjusted EBITDA Guidance

- Cash sale price of \$75 million reduces SMLP's total leverage by ~0.3x and increases its liquidity and financial flexibility for reinvestment
- Expands Double E's commercial relationship with Matador, a top-tier Delaware producer with nearly 125,000 net acres in New Mexico and an existing economic interest in a processing plant complex in Eddy County, New Mexico currently connected to Double E
- Matador assumes additional take-or-pay firm capacity on Double E
- Provides Summit additional financial flexibility to pursue strategic, scale-building opportunities for Double E and around Summit's other core assets in growth basins
- The transaction is expected to be free cash flow accretive to SMLP unitholders
- Summit reiterates its 2022 Adjusted EBITDA guidance range of \$205 million to \$220 million

Houston, Texas (June 9, 2022) – Summit Midstream Partners, LP (NYSE: SMLP) (“Summit”, “SMLP” or the “Partnership”) announced today that its wholly owned subsidiary, Summit Midstream Holdings, LLC (“SMP Holdings”), has entered into a definitive agreement to sell Summit Midstream Permian, LLC (“Summit Permian”), which owns the Lane Gathering and Processing System (“Lane G&P System”) in the Delaware Basin to a wholly owned subsidiary of Matador Resources Company (“Matador”) for a cash sale price of \$75 million, subject to customary transaction adjustments. Matador will also assume Summit Midstream Marketing, LLC's, a wholly owned subsidiary of SMP Holdings, take-or-pay firm capacity on the Double E Pipeline associated with the Lane G&P System. The transaction is subject to customary closing conditions and is expected to close in the second quarter of 2022.

Heath Deneke, President, Chief Executive Officer and Chairman, commented, “We are pleased to announce this strategic transaction with Matador, a premier upstream and midstream operator in the Delaware Basin. With the sale of the Lane G&P System, Summit's focus in the Delaware will be on fully commercializing and expanding its highly strategic Double E pipeline system. The assumption of additional take-or-pay firm capacity further expands Double E's commercial relationship with Matador, a significant acreage holder owning nearly 125,000 net acres in Eddy and Lea Counties in southeastern New Mexico. Pro-forma for the transaction, Matador will have two gas processing complexes connected to the Double E system, including Matador's interest in San Mateo Midstream, LLC's 460 MMcf/d Black River Processing Plant Complex and the 60 MMcf/d Lane G&P System. The transaction is highly credit accretive for Summit, reducing our total leverage ratio by ~0.3x and creating additional liquidity and financial flexibility to reinvest in strategic scale-building opportunities in our Rockies and Northeast segments and Double E joint venture. Additionally, after accounting for the transaction, Summit is reiterating its full year 2022 Adjusted EBITDA guidance range of \$205 million to \$220 million.”

Lane G&P System Overview

The Lane G&P System includes approximately 45 miles of low and high pressure gathering pipeline in Eddy and Lea counties in the northern Delaware Basin, three compressor stations and a 60 MMcf/d cryogenic processing plant commissioned in December 2018. Gathering and processing services on the Lane G&P System are provided pursuant to long-term, fee-based gathering agreements with producers that are primarily targeting crude oil production from the Bone Spring and Wolfcamp shale formations. Residue natural gas is primarily delivered to the Double E Pipeline.

Advisors

Guggenheim Securities served as financial advisor and Locke Lord L.L.P. served as legal advisor to Summit. O'Melveny & Myers LLP served as legal advisor to Matador.

About Summit Midstream Partners, LP

SMLP is a value-driven limited partnership focused on developing, owning and operating midstream energy infrastructure assets that are strategically located in the core producing areas of unconventional resource basins, primarily shale formations, in the continental

United States. SMLP provides natural gas, crude oil and produced water gathering, processing and transportation services pursuant to primarily long-term, fee-based agreements with customers and counterparties in six unconventional resource basins: (i) the Appalachian Basin, which includes the Utica and Marcellus shale formations in Ohio and West Virginia; (ii) the Williston Basin, which includes the Bakken and Three Forks shale formations in North Dakota; (iii) the Denver-Julesburg Basin, which includes the Niobrara and Codell shale formations in Colorado and Wyoming; (iv) the Permian Basin, which includes the Bone Spring and Wolfcamp formations in New Mexico; (v) the Fort Worth Basin, which includes the Barnett Shale formation in Texas; and (vi) the Piceance Basin, which includes the Mesaverde formation as well as the Mancos and Niobrara shale formations in Colorado. SMLP has an equity method investment in Double E Pipeline, LLC, which provides interstate natural gas transportation service from multiple receipt points in the Delaware Basin to various delivery points in and around the Waha Hub in Texas. SMLP also has an equity method investment in Ohio Gathering, which operates extensive natural gas gathering and condensate stabilization infrastructure in the Utica Shale in Ohio. SMLP is headquartered in Houston, Texas.

Forward-Looking Statements

This press release includes certain statements concerning expectations for the future that are forward-looking within the meaning of the federal securities laws. Forward-looking statements include, without limitation, any statement that may project, indicate or imply future results, events, performance or achievements and may contain the words "expect," "intend," "plan," "anticipate," "estimate," "believe," "will be," "will continue," "will likely result," and similar expressions, or future conditional verbs such as "may," "will," "should," "would," and "could." In addition, any statement concerning future financial performance (including future revenues, earnings or growth rates), ongoing business strategies and possible actions taken by us or our subsidiaries are also forward-looking statements. Forward-looking statements also contain known and unknown risks and uncertainties (many of which are difficult to predict and beyond management's control) that may cause SMLP's actual results in future periods to differ materially from anticipated or projected results. An extensive list of specific material risks and uncertainties affecting SMLP is contained in its 2021 Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on February 28, 2022, as amended and updated from time to time. Any forward-looking statements in this press release are made as of the date of this press release and SMLP undertakes no obligation to update or revise any forward-looking statements to reflect new information or events.

Contact: 832-413-4770, ir@summitmidstream.com

SOURCE: Summit Midstream Partners, LP