

Edgar Filing: Blueknight Energy Partners, L.P. - Form 8-K

Blueknight Energy Partners, L.P.
Form 8-K
April 05, 2017

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): April 3, 2017

BLUEKNIGHT ENERGY PARTNERS, L.P.
(Exact name of Registrant as specified in its charter)

DELAWARE	001-33503	20-8536826
(State of incorporation or organization)	(Commission file number)	(I.R.S. employer identification number)

201 NW 10th, Suite 200	73103
Oklahoma City, Oklahoma	
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (405) 278-6400

(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 (see General Instruction A.2. below):

- 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))

Item 7.01. Regulation FD Disclosure.

On April 3, 2017, Advantage Pipeline, L.L.C. (“Advantage”) was acquired by a joint venture formed by affiliates of Plains All American Pipeline, L.P. and Noble Midstream Partners LP. BKEP received cash proceeds at closing from the sale of its approximate 30% equity ownership interest in Advantage of approximately \$25.3 million. BKEP expects to receive an additional 10% of the sale proceeds, which are currently being held in escrow, subject to certain post-closing settlement terms and conditions. Any remaining net escrow proceeds are scheduled to be paid out by the end of 2017. BKEP’s initial net proceeds received at closing were used to prepay revolving debt (without a commitment reduction). The operating and administrative services agreement to which BKEP and Advantage were parties and under which BKEP operated the 70-mile, 16-inch Advantage crude oil pipeline, located in the southern Delaware Basin in Texas, was terminated at closing. BKEP and the Plains/Noble joint venture have entered into a short-term transition services agreement under which BKEP will provide certain services.

In accordance with General Instruction B.2 of Form 8-K, the information set forth in this Item 7.01 is deemed to be furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

Forward-Looking Statements

This report contains “forward-looking statements” within the meaning of the federal securities laws. These statements state the current expectations or intentions of BKEP regarding future events, which, by their nature, involve known and unknown risks and uncertainties. Factors that could cause actual results to differ materially from those contemplated above include, among others, risks and uncertainties discussed from time to time in BKEP’s filings with the Securities and Exchange Commission. Any forward-looking statement made by BKEP in this report is based only on information currently available to BKEP and speaks only as of the date on which it is made. BKEP undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by applicable law.

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.

BLUEKNIGHT ENERGY PARTNERS,
L.P.

By: Blueknight Energy Partners G.P., L.L.C
its General Partner

Date: April 5, 2017 By: /s/ Alex G. Stallings
Alex G. Stallings
Chief Financial Officer and Secretary