

TLP Energy Investment Summary

Transaction Summary

Cohesive Capital Partners, L.P. (“Cohesive”) has committed \$8 million (2.3% ownership interest) as part of a \$250 million equity line of credit being provided by Trilantic Capital Partners (“Trilantic”), who is leading the formation of TLP Energy, LLC (“TLP” or the “Company”). Trilantic closed on its commitment in August 2011 with the intent to reduce its ultimate commitment to \$200 million by selling \$50 million to other investors. Recently, a large and successful energy focused PE firm has approved a \$125 million commitment to TLP, \$100 million of which would expand the total equity capital available to TLP from \$250 million to \$350 million, while \$25 million would be purchased directly from Trilantic. In conjunction with the formation of TLP and the closing of the transaction with Trilantic in August, TLP has purchased certain existing assets from Le Norman Properties, LLC in exchange for \$50 million in cash and \$40 million in subordinated common equity in the Company. Since Closing, TLP has deployed ~\$20 million of additional capital for exploration and production.

Company Description

TLP Energy, LLC is a newly formed company that will focus on the acquisition, exploration and production (“E&P”) of oil and gas resources in the Anadarko Basin, specifically on leased acreage in the Granite Wash and Cleveland Sand regions in six counties on the Texas and Oklahoma border. The Company is led by David Le Norman (“Le Norman”), who is an experienced and successful operator in the Anadarko Basin, and is headquartered in Oklahoma City, Oklahoma.

Investment Highlights

- *Attractive Valuation:* Entry valuation for LNP Assets at a discount to third-party PV-10 valuation
- *Excellent Management Team:* Highly experienced (93% success rate drilling ~1,400 wells since 1994), cohesive management team is led by David Le Norman. Strong technical staff with average of 25 years of experience in respective fields
- *Attractive geographic focus:* Wells in oil and liquids-rich Granite Wash and Cleveland Sand regions have higher single well economics than traditional dry gas wells. The majority of wells are economic at prices below current strip prices
- *Excellent geo-steering:* Drilling teams gather detailed geological information at regular intervals to ensure accurate wellbore positioning with minimal variance
- *Current Production Outperforming:* Above-plan results since closing¹ from drilling of wells on acreage purchased from Le Norman
- *Good sponsor match:* Strong lead sponsor in Trilantic with excellent track record investing in energy sector
- *Numerous acquisition targets:* Substantial additional leased acreage acquisition and farmout opportunity pipeline at attractive prices
- *Low Leverage:* Low levels of leverage for an E&P company. No leverage used for initial acquisition and Company is restricting future maximum leverage to 1.0x annualized EBITDAX²
- *Portfolio Diversification:* Relatively low correlation between E&P investments to remainder of Cohesive portfolio
- *Strong governance controls:* Trilantic has veto rights over all major decisions, including pace of equity deployment and debt incurrence

¹ Trilantic closed on its investment into TLP in August 2011.

² EBITDAX stands for EBITDA excluding exploration expenses.