

Riverstone Holdings LLC Announces Sale of Rock Oil Holdings LLC to SM Energy Company

New York, NY (August 08, 2016). Riverstone Holdings LLC (“Riverstone”) has announced today the signing of a definitive agreement pursuant to which Riverstone Global Energy and Power Fund V, L.P. (“Fund V”) and minority partners have agreed to sell Rock Oil Holdings LLC (“Rock Oil” or the “Company”), a Houston- and Denver-based oil and gas company focused in the Permian Basin, to SM Energy Company (NYSE: SM, “SM Energy”), a Denver-based oil and gas company, for \$980 million in cash. The transaction is subject to customary closing conditions and is expected to close in early October.

Rock Oil was formed in March 2014 with the strategy of applying Rock Oil’s land and technical expertise to the acquisition and development of assets in top-tier North American unconventional oil plays. Since its formation, the Company has entered into a series of acquisitions to establish a position of approximately 24,783 net acres in the Midland Basin component of the Permian. The Company, which has been actively executing upon a horizontal development program in Howard County, TX, currently produces approximately 4,900 boepd.

Rock Oil is led by Chairman and CEO Kyle R. Miller, who has an outstanding track record leading exploration and production companies including a predecessor Rock Oil entity, and by President Jason Cansler, who had over 15 years of industry experience with Chevron and Wells Fargo before joining the Company at its inception.

Mr. Miller commented: “We are very pleased by the successful execution of our stated strategy of building and developing a concentrated position in the core of a leading North American producing basin. Our ability to drive value in a challenging commodity price environment is a testament to the quality and technical expertise of the Rock Oil team and our strong and supportive working relationship with Riverstone. We wish SM Energy success with these world class Permian assets.”

John Lancaster, Partner and Managing Director at Riverstone, commented: “We at Riverstone have been thrilled to work in partnership with Kyle Miller, Jason Cansler and their colleagues in building Rock Oil and its excellent position in the Midland Basin. The team relied on its deep wealth of industry relationships and its technical expertise to define and assemble a core acreage position in Howard County, which offers some of the most attractive upstream returns in North America.”

Jefferies served as lead financial advisor to Rock Oil and Riverstone Holdings LLC on this transaction. Petrie Partners also acted as a financial advisor to Rock Oil. Latham & Watkins LLP acted as legal counsel to Rock Oil and Riverstone.

About Riverstone Holdings LLC

Riverstone Holdings LLC is an energy and power-focused private investment firm founded in 2000 by David M. Leuschen and Pierre F. Lapeyre, Jr. with over \$34 billion of capital raised. Riverstone conducts buyout and growth capital investments in the exploration & production, midstream, oilfield services, power, and renewable sectors of the energy industry. With offices in New York, London, Houston, and Mexico City, Riverstone has committed over \$32 billion to more than 120 investments in North America, Latin America, Europe, Africa, and Asia.