

**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): September 9, 2019

VIPER ENERGY PARTNERS LP

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36505
(Commission
File Number)

46-5001985
(I.R.S. Employer
Identification Number)

**500 West Texas
Suite 1200
Midland, Texas**
(Address of principal
executive offices)

79701
(Zip code)

(432) 221-7400
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Units	VNOM	Nasdaq Global Select Market

Check the appropriate box below if the Form 8-K 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
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

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 3.02. Unregistered Sales of Equity Securities.

On September 9, 2019, Viper Energy Partners LP (“Viper”) and Viper Energy Partners LLC (the “Operating Company”) entered into a definitive purchase and sale agreement (the “Purchase and Sale Agreement”) with Santa Elena Minerals, LP, an unrelated third-party seller (the “Seller”), providing for an acquisition by Viper of certain mineral and royalty interests from the Seller (the “Pending Acquisition”), which assets will be immediately contributed by Viper to the Operating Company at closing of the Pending Acquisition. The assets being acquired in the Pending Acquisition represent approximately 1,358 net royalty acres across the Midland Basin, primarily operated by Viper’s parent Diamondback Energy, Inc. in Glasscock and Martin counties, have an average net royalty interest of approximately 5.6% and had an estimated average daily production of approximately 1,400 BOE/d during the second quarter ended June 30, 2019 (the “Assets”). The Pending Acquisition is expected to close in the fourth quarter of 2019, subject to the completion of due diligence and the satisfaction of customary closing conditions, and will have an effective date of October 1, 2019.

At closing, Viper will issue to the Seller common units representing limited partner interests in Viper (the “Common Units”) as consideration for the Assets, and the Operating Company will issue to Viper new units of the Operating Company, in each case in a number equal to the quotient of (a) \$150 million (as adjusted pursuant to the Purchase and Sale Agreement) divided by (b) \$29.02, which represents the volume weighted average sale prices as traded on Nasdaq of the Common Units calculated for the five trading day period ended on September 5, 2019. Assuming no adjustments to the purchase price, the Seller would receive approximately 5.2 million Common Units. With respect to the Common Units it receives under the Purchase and Sale Agreement, the Seller has agreed to waive its right to receive any distributions for which the record date falls in the fourth quarter of 2019.

The Common Units described in this Item 3.02 will be issued in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), provided by Section 4(a)(2) of the Securities Act as sales by an issuer not involving any public offering.

Under the Purchase and Sale Agreement, Viper granted to the Seller certain piggyback registration rights whereby, during the period beginning on the closing date of the Pending Acquisition and ending on the 180th day after such closing date (the “Restricted Period”), the Seller will have the opportunity to include Common Units acquired by it in the Pending Acquisition (not to exceed an amount equal to 33% of Common Units to be sold by Viper) in any registered offering to the public of Common Units under the Securities Act that Viper conducts using a form of registration statement permitting the registration for resale of the Seller’s Common Units (a “Piggyback Offering”). The Seller’s ability to participate in a Piggyback Offering is subject to its agreement to become a party to, and to comply with its obligations under, the applicable underwriting or similar agreement and to make customary representations, warranties, covenants and agreements, as maybe required by the managing underwriter(s) in connection with any such Piggyback Offering. The Seller’s piggyback rights are also subject to the requirement to cooperate with Viper and to provide the requisite information in connection with any Piggyback Offering, as well as its obligation to comply with all applicable securities laws. The Seller will bear all underwriting discounts, selling commissions, stock transfer taxes as well as all expenses incurred by it in any such Piggyback Offering.

Under the Purchase and Sale Agreement, the Seller has agreed that during the Restricted Period it will not engage in any sale or other transfer, pledging, hedging and certain other transactions in Common Units acquired by the Seller in the Pending Acquisition, except for any resales by the Seller in a Piggyback Offering and in certain other limited circumstances.

Item 7.01. Regulation FD Disclosure.

On September 13, 2019, Viper issued a press release regarding the Pending Acquisition described in Item 3.02 of this Current Report on Form 8-K. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

In accordance with General Instruction B.2 of Form 8-K, the information furnished under Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, is deemed to be “furnished” and shall not be deemed “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall such information and Exhibits be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

Exhibits

<u>Number</u>	<u>Exhibit</u>
99.1	Press release dated September 13, 2019, entitled “Viper Energy Partners LP, a subsidiary of Diamondback Energy, Inc., Announces All-Equity Acquisition.”
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

SIGNATURE

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.

VIPER ENERGY PARTNERS LP

By: Viper Energy Partners GP LLC,
its general partner

Date: September 13, 2019

By: /s/ Teresa L. Dick
Name: Teresa L. Dick
Title: Chief Financial Officer, Executive Vice President and Assistant
Secretary

[VIPER ENERGY PARTNERS LP LOGO]

Viper Energy Partners LP, a Subsidiary of Diamondback Energy, Inc., Announces All-Equity Acquisition

MIDLAND, Texas, Sept. 13, 2019 (GLOBE NEWSWIRE) — Viper Energy Partners LP (NASDAQ:VNOM) (“Viper” or the “Partnership”), a subsidiary of Diamondback Energy, Inc. (NASDAQ:FANG) (“Diamondback”), today announced it has entered into a definitive purchase and sale agreement (“the Purchase and Sale Agreement”) to acquire certain mineral and royalty interests (“the Assets”) from Santa Elena Minerals, LP (“Santa Elena”) for approximately 5.2 million common units representing limited partner interests in Viper (“Common Units”), subject to certain adjustments (the “Pending Acquisition”). The transaction is valued at \$150 million and will have an effective date of October 1, 2019 with closing anticipated in the fourth quarter of 2019, subject to continued diligence and closing conditions.

ACQUISITION HIGHLIGHTS

- 1,358 net royalty acres across two ranches primarily in Glasscock and Martin counties; over 65% of acreage is operated by Diamondback
- Acreage has a ~5.6% average NRI that will provide concentrated exposure to contiguous leasehold which Diamondback plans to actively develop
- Combined Q2 2019 production of ~1,400 boe/d with multiple years of active development ahead on current Diamondback drilling and completion schedules; further upside provided by third-party operators not included in underwriting assumptions
- Assuming no purchase price adjustments, Viper will issue Common Units to Santa Elena valued at \$150 million based on the \$29.02 volume weighted average sales price of Common Units for the five-trading day period ended September 5, 2019, or approximately 5.2 million Common units
- Effective date of October 1, 2019 with anticipated closing in the fourth quarter of 2019, subject to continued diligence and closing conditions

“Viper’s announced acquisition of primarily Diamondback-operated properties, which will be immediately accretive upon closing, further distinguishes Viper’s business model in the minerals market due to the clear visibility into future development of this acreage. This acquisition is another step in Viper’s strategy to continue to consolidate the fragmented private minerals market in the Permian Basin, both through our normal ground game of smaller deals, as well as larger acquisitions such as this deal announced today. Viper continues to use its size, scale and expertise to accumulate Tier 1 acreage, and we believe there remain significant opportunities ahead for us to continue this consolidation, which will supplement the robust production growth of our existing asset base,” stated Travis Stice, Chief Executive Officer of Viper’s general partner.

Austen Campbell, Co-CEO of Santa Elena, stated, “Santa Elena is excited about this transaction and our continuing relationship with Viper. With Diamondback’s significant operatorship in these properties, Viper is the right strategic partner for these assets. We look forward to working with the Viper team as an equity holder as they continue their impressive consolidation of the Permian minerals market.”

TRANSACTION DETAILS

At closing, Viper will issue to Santa Elena Common Units as consideration for the Assets, and Viper Energy Partners LLC, Viper’s operating subsidiary (the “Operating Company”) will issue to Viper an equal number of new units of the Operating Company, in each case in a number equal to the quotient of (a) \$150 million (as adjusted pursuant to the Purchase and Sale Agreement) divided by (b) \$29.02, which represents the volume weighted average sale price as traded on Nasdaq of the Common Units calculated for the five-trading day period ended September 5, 2019. With respect to the Common Units it receives under the Purchase and Sale Agreement, Santa Elena has agreed to waive its right to receive any distributions for which the record date falls in the fourth quarter of 2019. Santa Elena has also agreed to a restriction on transfer, sale, pledging, hedging and certain other transactions in the Common Units it receives in the Pending Acquisition, subject to certain limited exceptions, during a period beginning on the closing date of the Pending Acquisition and ending on the 180th day after such closing (the “Restricted Period”). Viper has granted to Santa Elena certain piggyback registration rights during the Restricted Period.

The Common Units will be issued in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), provided by Section 4(a)(2) of the Securities Act as sales by an issuer not involving any public offering.

Credit Suisse acted as a financial advisor to Viper. Tudor, Pickering, Holt & Co. acted as a financial advisor to Santa Elena. About Viper Energy Partners LP

Viper is a limited partnership formed by Diamondback to own, acquire and exploit oil and natural gas properties in North America, with a focus on oil-weighted basins, primarily the Permian Basin in West Texas. For more information, please visit www.viperenergy.com.

About Diamondback Energy, Inc.

Diamondback is an independent oil and natural gas company headquartered in Midland, Texas focused on the acquisition, development, exploration and exploitation of unconventional, onshore oil and natural gas reserves in the Permian Basin in West Texas. For more information, please visit www.diamondbackenergy.com.

About Santa Elena Minerals, LP

Santa Elena is a private portfolio company of EnCap Investments L.P. that is focused on acquiring mineral and royalty interests in the Permian Basin.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the federal securities laws. All statements, other than historical facts, that address activities that Viper assumes, plans, expects, believes, intends or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. The forward-looking statements are based on management's current beliefs, based on currently available information, as to the outcome and timing of future events, including specifically the statements regarding the Pending Acquisition and Diamondback's plans for the acreage discussed above. These forward-looking statements involve certain risks and uncertainties that could cause the results to differ materially from those expected by the management of Viper. Information concerning these risks and other factors can be found in Viper's filings with the Securities and Exchange Commission, including its Forms 10-K, 10-Q and 8-K, which can be obtained free of charge on the Securities and Exchange Commission's web site at <http://www.sec.gov>. Viper undertakes no obligation to update or revise any forward-looking statement.

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Source: Viper Energy Partners LP; Diamondback Energy, Inc.