

PENNTEX MIDSTREAM PARTNERS, LP
Filed by
ENERGY TRANSFER PARTNERS, L.P.

FORM SC 13E3/A
(Amended Statement of Ownership: Private Transaction)

Filed 06/02/17

Address	11931 WICKCHESTER LANE, SUITE 300 HOUSTON, TX 77043
Telephone	832-456-4000
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Industry	Oil & Gas Transportation Services
Sector	Energy
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Amendment No. 1 to
SCHEDULE TO
(RULE 14d-100)

TENDER OFFER STATEMENT UNDER SECTION 14(d)(1) or 13(e)(1) OF THE SECURITIES EXCHANGE ACT OF
1934

PennTex Midstream Partners, LP
(Name of Subject Company (Issuer))

Energy Transfer Partners, L.P.
(Name of Filing Person (Offeror))

Common Units Representing Limited Partner Interests
(Titles of Class of Securities)

709311104
(CUSIP Numbers of Class of Securities)

Amendment No. 1 to
SCHEDULE 13E-3
RULE 13E-3 TRANSACTION STATEMENT
UNDER SECTION 13(E) OF THE SECURITIES EXCHANGE ACT OF 1934

Energy Transfer Partners, L.P.
(Name of Person(s) Filing Statement)

Common Units Representing Limited Partner Interests
(Titles of Class of Securities)

709311104
(CUSIP Numbers of Class of Securities)

Thomas E. Long
Chief Financial Officer
Energy Transfer Partners, L.P.
8111 Westchester Drive, Suite 600
Dallas, Texas 75225
(214) 981-0700

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of the Filing Person)

COPIES TO:

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CALCULATION OF FILING FEE

TRANSACTION VALUATION*	AMOUNT OF FILING FEE+
\$280,253,200	\$32,481.35

* Estimated for purposes of calculating the amount of the filing fee only. The amount assumes the purchase of all outstanding common units representing limited partner interests (the "Common Units") of PennTex Midstream Partners, LP ("PennTex") not owned by Energy Transfer Partners, L.P. at a purchase price of \$20.00 per Common Unit, net to the seller in cash. On May 1, 2017, 20,714,256 Common Units were outstanding, of which 6,701,596 are owned by Energy Transfer Partners, L.P. Accordingly, this calculation assumes the purchase of 14,012,660 Common Units.

+ The amount of the filing fee is calculated in accordance with Rule 0-11 of the Securities Exchange Act of 1934, as amended, and Fee Rate Advisory # 1 for Fiscal Year 2017 issued by the Securities and Exchange Commission, by multiplying the transaction valuation by 0.0001159.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$32,481.35
Form or Registration No.: SC TO-T

Filing Party: Energy Transfer Partners, L.P.
Date Filed: May 18, 2017

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- Third-party tender offer subject to Rule 14d-1.
- Issuer tender offer subject to Rule 13e-4.
- Going-private transaction subject to Rule 13e-3.
- Amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
- Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

This Amendment No. 1 (this "Amendment") amends and supplements the Tender Offer Statement and Rule 13E-3 Transaction Statement originally filed under cover of Schedule TO on May 18, 2017 (the "Schedule TO") by Energy Transfer Partners, L.P., a Delaware limited partnership ("ETP"). The Schedule TO relates to the offer by ETP to purchase all outstanding common units representing limited partner interests (the "Common Units"), of PennTex Midstream Partners, LP, a Delaware limited partnership ("PennTex"), not owned by ETP, upon the terms and subject to the conditions set forth in the Offer to Purchase dated May 18, 2017 (as amended and supplemented, the "Offer to Purchase") and in the related letter of transmittal (which, together with any amendments or supplements thereto, collectively constitute the "Offer"). All capitalized terms used in this Amendment No. 1 without definition have the meanings ascribed to them in the Offer to Purchase.

Except as otherwise set forth below, the information set forth in the Schedule TO remains unchanged and is incorporated by reference into this Amendment.

The items of the Schedule TO set forth below are hereby amended and supplemented as follows:

Item 4. Terms of the Transaction

Item 4 of the Schedule TO is hereby amended and supplemented by adding the following:

The information set forth in the Amendment No. 1 to the Offer to Purchase, filed as Exhibit (a)(1)(i)(a) hereto, is incorporated herein by reference.

Item 5. Past Contacts, Negotiations and Agreements.

Item 5 of the Schedule TO is hereby amended and supplemented by adding the following:

The information set forth in the Amendment No. 1 to the Offer to Purchase, filed as Exhibit (a)(1)(i)(a) hereto, is incorporated herein by reference.

Item 11. Additional Information.

Item 11 of the Schedule TO is hereby amended and supplemented by adding the following:

The information set forth in the Amendment No. 1 to the Offer to Purchase, filed as Exhibit (a)(1)(i)(a) hereto, is incorporated herein by reference.

Item 12. Exhibits

Item 12 of the Schedule TO is hereby amended and supplemented by adding the following:

<u>Exhibit No.</u>	<u>Description</u>
(a)(1)(i)(a)	Amendment No. 1 to Offer to Purchase, dated June 2, 2017
(b)(1)	Second Amended and Restated Credit Agreement dated as of October 27, 2011 among Energy Transfer Partners, L.P., Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and an LC Issuer, the other lenders party thereto and Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc., as Joint Lead Arrangers and Joint Book Managers (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by ETP on November 2, 2011).

<u>Exhibit No.</u>	<u>Description</u>
(b)(2)	First Amendment, dated as of November 19, 2013, to Second Amended and Restated Credit Agreement, dated October 27, 2011 among Energy Transfer Partners, L.P., Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and an LC Issuer, the other lenders party thereto and Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc., as Joint Lead Arrangers and Joint Book Managers (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by ETP on November 20, 2013).

Item 13. Information Required by Schedule 13E-3

The following sets forth the information required by Schedule 13E-3 that has not already been set forth in Items 1-12 above. The information set forth in the Offer to Purchase is incorporated herein by reference to the items required by Schedule 13E-3.

Item 5 of Schedule 13E-3. Past Contacts, Transactions, Negotiations and Agreements.

Item 1005(c) and (e) of Regulation M-A

Item 5 of the Schedule 13E-3 is hereby amended and supplemented by adding the following:

The information set forth in the Amendment No. 1 to the Offer to Purchase, filed as Exhibit (a)(1)(i)(a) hereto, is incorporated herein by reference.

Item 7 of Schedule 13E-3. Purposes, Alternatives, Reasons and Effects.

Item 7 of the Schedule 13E-3 is hereby amended and supplemented by adding the following:

The information set forth in the Amendment No. 1 to the Offer to Purchase, filed as Exhibit (a)(1)(i)(a) hereto, is incorporated herein by reference.

Item 8 of Schedule 13E-3. Fairness of the Transaction.

Item 8 of the Schedule 13E-3 is hereby amended and supplemented by adding the following:

The information set forth in the Amendment No. 1 to the Offer to Purchase, filed as Exhibit (a)(1)(i)(a) hereto, is incorporated herein by reference.

Item 14 of Schedule 13E-3. Persons/Assets Retained, Employed, Compensated or Used.

Item 14 of the Schedule 13E-3 is hereby amended and supplemented by adding the following:

The information set forth in the Amendment No. 1 to the Offer to Purchase, filed as Exhibit (a)(1)(i)(a) hereto, is incorporated herein by reference.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: June 2, 2017

ENERGY TRANSFER PARTNERS, L.P.

By: Energy Transfer Partners GP, L.P.,
its general partner

By: Energy Transfer Partners, L.L.C.,
its general partner

By: /s/ Thomas E. Long

Name: Thomas E. Long

Title: Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
(a)(1)(i)*	Offer to Purchase, dated May 18, 2017
(a)(1)(i)(a)	Amendment No. 1 to Offer to Purchase, dated June 2, 2017
(a)(1)(ii)*	Letter of Transmittal (including general instructions for certification of taxpayer identification number on Substitute Form W-9)
(a)(1)(iii)*	Notice of Guaranteed Delivery
(a)(1)(iv)*	Letter to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees
(a)(1)(v)*	Letter to Clients for use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees
(a)(1)(vi)*	Form of Summary Advertisement to be published in <i>The Wall Street Journal</i>
(a)(1)(vii)*	Press Release, dated May 18, 2017, issued by ETP
(b)(1)	Second Amended and Restated Credit Agreement dated as of October 27, 2011 among Energy Transfer Partners, L.P., Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and an LC Issuer, the other lenders party thereto and Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc., as Joint Lead Arrangers and Joint Book Managers (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by ETP on November 2, 2011).
(b)(2)	First Amendment, dated as of November 19, 2013, to Second Amended and Restated Credit Agreement, dated October 27, 2011 among Energy Transfer Partners, L.P., Wells Fargo Bank, National Association, as Administrative Agent, Swingline Lender and an LC Issuer, the other lenders party thereto and Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc., as Joint Lead Arrangers and Joint Book Managers (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by ETP on November 20, 2013).
(c)	None
(d)*	Contribution Agreement, dated October 24, 2016 by and among Energy Transfer Partners, L.P. and NGP X US Holdings, LP, PennTex Midstream Partners, LLC, MRD Midstream LLC, WHR Midstream LLC and certain individual investors and managers named therein. (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K filed by ETP with the SEC on October 25, 2016)
(f)	None
(g)	None
(h)	None

* Filed previously.

**Supplement No. 1 to
Offer to Purchase for Cash
All Outstanding Common Units Representing Limited Partner Interests
in
PennTex Midstream Partners, LP
by
Energy Transfer Partners, L.P.
at
\$20.00 per Common Unit**

THE OFFER (AS DEFINED HEREIN) AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON JUNE 19, 2017, UNLESS THE OFFER IS EXTENDED. COMMON UNITS IN PENNTEX MIDSTREAM PARTNERS, LP TENDERED PURSUANT TO THIS OFFER MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION DATE OF THE OFFER.

This Supplement No. 1 (“Supplement No. 1”) supplements, as set forth below, the Offer to Purchase, dated May 18, 2017 (together with any amendments or supplements thereto, including this Supplement No. 1, the “Offer to Purchase”) relating to the offer by Energy Transfer Partners, L.P., a Delaware limited partnership (“ETP”), to purchase all of the outstanding common units representing limited partner interests (the “PennTex common units”) in PennTex Midstream Partners, LP, a Delaware limited partnership (“PennTex”), at a price of \$20.00 per PennTex common unit, net to the seller in cash, without interest, less any applicable withholding taxes (the “offer price”), upon the terms and subject to the conditions set forth in the Offer to Purchase, this Supplement No. 1 and the related Letter of Transmittal (the “Letter of Transmittal”) which, together with the Offer to Purchase and this Supplement No. 1, each as may be further amended or supplemented from time to time, collectively constitute the “offer.” All capitalized terms used but not defined in this Supplement No. 1 have the meanings ascribed to them in the Offer to Purchase.

This Supplement No. 1 should be read together with the Offer to Purchase and Letter of Transmittal. All references to and requirements regarding the Offer to Purchase and the Letter of Transmittal shall be deemed to refer to the Offer to Purchase, as supplemented by this Supplement No. 1, and the Letter of Transmittal, respectively. Except as set forth herein, all terms and conditions of the Offer remain unchanged and in full force and effect.

If you desire to tender your PennTex common units pursuant to the offer and you are required to deliver a Letter of Transmittal (or a manually executed copy thereof) as described in “The Tender Offer—Procedures for Accepting the Offer and Tendering PennTex Common Units” of the Offer to Purchase, you must still use the Letter of Transmittal previously mailed to you. If you have already properly tendered your PennTex common units pursuant to the Offer, you need not take further action. Tenders of PennTex common units (whether previously or hereafter delivered) may only be withdrawn in the manner described in the Offer to Purchase.

* * * * *

The date of this Supplement No. 1 is June 2, 2017.

The Offer to Purchase is hereby amended and supplemented as follows:

The information set forth in “Special Factors—Background of the Offer” is hereby amended to insert, immediately following the sixth paragraph thereof, as follows:

On May 1, 2017, Kelcy L. Warren, Chairman and Chief Executive Officer of ETP’s general partner, contacted Robert W. Jordan, the Chairman of the conflicts committee of the PennTex General Partner, to discuss that ETP may in the future consider a transaction that would involve unaffiliated holders of PennTex common units.

The information set forth in the second bullet point of “Special Factors—Purpose of and Reasons for the Offer; Plans for PennTex After the Offer and the Exercise of the Limited Call Right; Consideration of Alternatives” is hereby replaced in its entirety as follows:

- the potential benefits to ETP and ETP unitholders if ETP were to acquire the PennTex common units it did not currently own, including without limitation decreased general and administrative costs as a result of PennTex no longer existing as a separate publicly traded entity and the potential for increased cash available for distributions to ETP unitholders as a result of available cash from PennTex’s assets being distributed in full to ETP rather than a portion distributed to PennTex’s public unitholders;

The information set forth in “Special Factors—The Position of ETP Regarding the Fairness of the Offer and the Exercise of the Limited Call Right” is hereby amended to insert, immediately following the second bullet point in the first paragraph as follows:

- the offer price of \$20.00 per PennTex common unit represents a premium of approximately 92% and 89% over the net book value per PennTex common unit of \$10.41 and \$10.56, as of March 31, 2017 and December 31, 2016, respectively;

The second to last paragraph under “Special Factors—The Position of ETP Regarding the Fairness of the Offer and the Exercise of the Limited Call Right” is hereby amended and restated as follows:

ETP’s consideration of the factors described above reflects its assessment of the fairness of the offer price payable in the offer and, if available, the exercise of the limited call right to unaffiliated holders of PennTex common units (including holders of PennTex common units who tender their PennTex common units in the offer as well as holders of PennTex common units who decline to tender their PennTex common units and whose PennTex common units are instead acquired through the exercise of the limited call right, assuming the minimum tender condition is met) in relation to the going concern value of PennTex on a stand-alone basis. ETP implicitly considered the value of PennTex in a sale as a going concern by taking into account PennTex’s current and anticipated business, financial conditions, results and operations, prospects and other forward-looking matters. ETP’s assessment of the amount and fairness of its offer price included its consideration of recent analyst research reports as set forth in “*Special Factors—Summary Presentation of Management of ETP’s General Partner to the Board of Directors of ETP’s General Partner*.” These reports reflected the analysts’ estimates of Adjusted EBITDA and distributable cash flows which were, on average, higher than ETP’s internal estimates of such financial metrics. ETP did not attempt to utilize either its own estimates or the analysts’ estimates of Adjusted EBITDA and distributable cash flows to determine a stand-alone going concern value of PennTex. In light of the fact that ETP already has, and will continue to have, control of PennTex, and that ETP remains unwilling to sell its PennTex common units, ETP does not believe that it would be appropriate for the PennTex common units held by the unaffiliated holders to be valued on a basis that includes a control premium.

The information set forth in “Special Factors—Financial Projections” is hereby amended to insert, immediately following the third paragraph thereof, as follows:

ETP’s projections for PennTex set forth below are based solely on the following volume and pricing assumptions forecasted by ETP:

	<u>2017E</u>	<u>2018E</u>	<u>2019E</u>
Total PennTex Wellhead Volume (MMBtu/d)	359,908	409,000	409,000
Natural Gas Price per MMBtu	\$ 3.14	\$ 3.50	\$ 3.75
Crude Oil Price per Bbl (WTI)	\$ 46.85	\$ 52.50	\$ 55.00

The last paragraph under “The Tender Offer—Acceptance for and Payment for the PennTex Common Units” is hereby amended and restated as follows:

If any tendered PennTex common units are not accepted for payment for any reason pursuant to the terms and conditions of the offer, or if certificates are submitted evidencing more PennTex common units than are tendered, certificates evidencing unpurchased PennTex common units will be returned, without expense to the tendering unitholder (or, in the case of PennTex common units tendered by book-entry transfer into the depositary’s account at DTC pursuant to the procedure set forth in “—*Procedures for Accepting the Offer and Tendering PennTex Common Units*”, such PennTex common units will be credited to an account maintained at DTC), promptly following the expiration or termination of the offer.

The first paragraph under “The Tender Offer—Effect of PennTex Distributions” is hereby amended and restated as follows:

If, on or after the date hereof, PennTex should declare or pay any cash distribution on the PennTex common units, or issue with respect to the PennTex common units any additional PennTex common units, common units of any other class of equity securities, other voting securities or any securities convertible into, or rights, warrants or options, conditional or otherwise, to acquire, any of the foregoing, payable or distributable to unitholders of record on a date prior to the transfer of the common units purchased pursuant to the offer to ETP or its nominee or transferee on PennTex’s stock transfer records, then, subject to the provisions of—Conditions to the Offer above, (1) the offer price per PennTex common unit and other terms of the offer will be reduced by the amount of any such cash distribution or (2) the whole of any such noncash distribution or issuance to be received by the tendering unitholders in respect of their tendered PennTex common units will (a) be received and held by the tendering unitholders for the account of ETP and will be required to be promptly remitted and transferred by each tendering unitholder to the depositary for the account of ETP, accompanied by appropriate documentation of transfer or (b) at the direction of ETP, be exercised for the benefit of ETP, in which case the proceeds of such exercise will promptly be remitted to ETP. Pending such remittance and subject to applicable law, ETP will be entitled to all rights and privileges as owner of any such noncash distribution, issuance or proceeds and may withhold the entire offer price or deduct from the offer price the amount or value thereof, as determined by ETP in its sole discretion.