

NGL Energy Partners LP
Form 8-K
April 02, 2015

**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): **March 30, 2015**

NGL ENERGY PARTNERS LP

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-35172
(Commission File Number)

27-3427920
(I.R.S. Employer
Identification No.)

**6120 South Yale Avenue
Suite 805
Tulsa, Oklahoma 74136**

(Address of principal executive offices) (Zip Code)

(918) 481-1119

(Registrant's telephone number, including area code)

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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:

- 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))
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Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) On March 30, 2015, the Compensation Committee (the *Committee*) of the Board of Directors of NGL Energy Holdings LLC (the *General Partner*), the general partner of NGL Energy Partners LP (*NGL*), approved grants of unvested common units pursuant to the General Partner's long-term incentive plan to certain of the named executive officers of the General Partner. The Committee granted awards for which units vest at specified dates, contingent only on the continued service of the recipient through the service date (the *Service Awards*). The Committee also granted awards that are contingent both on the continued service of the recipients through the vesting date and on the performance of NGL's common units relative to the performance of other entities in the Alerian MLP Index (the *Index*) over specified periods of time (the *Performance Awards*).

The Service Awards granted in March 2015 to each named executive officer and their vesting dates are summarized below:

| Name | Number of Awards by Vesting Date | | | | Total |
|--------------------|----------------------------------|--------------|--------------|--------------|--------|
| | March 31, 2015 | July 1, 2015 | July 1, 2016 | July 1, 2017 | |
| Atanas H. Atanasov | 10,000 | 2,000 | 2,000 | 10,000 | 24,000 |
| James J. Burke | 10,000 | 5,000 | 5,000 | 5,000 | 25,000 |
| Shawn W. Coady | | 15,000 | 15,000 | 15,000 | 45,000 |

Prior to March 2015, certain of these officers had unvested awards from prior grants. The total number of unvested Service Awards and their vesting dates, including both the March 2015 grants and prior grants, are summarized below:

| Name | Number of Awards by Vesting Date | | | | Total |
|--------------------|----------------------------------|--------------|--------------|--------------|--------|
| | March 31, 2015 | July 1, 2015 | July 1, 2016 | July 1, 2017 | |
| Atanas H. Atanasov | 10,000 | 12,000 | 12,000 | 12,000 | 46,000 |
| James J. Burke | 10,000 | 15,000 | 15,000 | 15,000 | 55,000 |
| Shawn W. Coady | | 15,000 | 15,000 | 15,000 | 45,000 |

The Performance Award units vest in three tranches, on July 1, 2016, July 1, 2017, and July 1, 2018. The number of Performance Awards that will vest is contingent on the performance of NGL's common units relative to the performance of the other entities in the Index. Performance will be calculated based on the return on NGL's common units (including changes in the market price of the common units and distributions paid during the performance period) relative to the returns on the common units of the other entities in the index. Performance will be measured over the following periods:

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| Vesting Date of Tranche | Performance Period for Tranche |
|--------------------------------|---------------------------------------|
| July 1, 2016 | July 1, 2015 through June 30, 2016 |
| July 1, 2017 | July 1, 2015 through June 30, 2017 |
| July 1, 2018 | July 1, 2015 through June 30, 2018 |

For each tranche, the Performance Award units that will vest for each officer will range from 0% - 200% of the number of Service Award units held by the officer that vest on the same date. The percentage of the Performance Award units that will vest will depend on the percentage of entities in the Index that NGL outperforms, as summarized in the table below:

| Percentage of Entities in the Index that NGL Outperforms | Percentage of Performance Award to Vest |
|---|--|
| Less than 50% | 0% |
| 50% - 75% | 50% - 100% |
| 75% - 100% | 100% - 200% |

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.

NGL ENERGY PARTNERS LP

By: NGL Energy Holdings LLC,
its general partner

Date: April 2, 2015

By: /s/ H. Michael Krimbill
H. Michael Krimbill
Chief Executive Officer