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): November 3, 2023

CRESTWOOD EQUITY PARTNERS LP
(Pachyderm Merger Sub LLC as successor by merger to Crestwood Equity Partners LP)
(Exact Name of Registrant as Specified in Charter)

Delaware	**001-34664**	**43-1918951**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

8111 Westchester Drive, Suite 600
Dallas, TX 75225
(Address of Principal Executive Offices) (Zip Code)

(214) 981-0700
(Registrant's Telephone Number, including Area Code)

811 Main Street, Suite 3400
Houston, Texas 77002
(832) 519-2200
(Former Name or Former Address, if Changed Since Last Report)

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))

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. ☐

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Units Representing Limited Partner Interests	CEQP	New York Stock Exchange(1)
Preferred Units Representing Limited Partner Interests	CEQP-P	New York Stock Exchange(2)

(1) The common units of Crestwood Equity Partners LP ceased being traded prior to the opening of the market on November 3, 2023 and will no longer be listed on the NYSE.

(2) The preferred units of Crestwood Equity Partners LP ceased being traded prior to the opening of the market on November 3, 2023 and will no longer be listed on the NYSE.

Introductory Note

On November 3, 2023, pursuant to the Agreement and Plan of Merger (the "Merger Agreement"), dated as of August 16, 2023, by and among Energy Transfer LP, a Delaware limited partnership ("Energy Transfer"), Pachyderm Merger Sub LLC, a Delaware limited liability company and a direct wholly owned subsidiary of Energy Transfer ("Merger Sub"), Crestwood Equity Partners LP, a Delaware limited partnership (the "Partnership"), and, solely for the purposes set forth therein, LE GP, LLC, a Delaware limited liability company and the sole general partner of Energy Transfer, the Partnership merged with and into Merger Sub (the "Merger"), with Merger Sub continuing as the surviving entity. Merger Sub is the Partnership's successor-in-interest as a result of the Merger.

Item 1.02 Termination of a Material Definitive Agreement.

Credit Facility

In connection with the closing of the Merger and at the direction of Energy Transfer, on November 3, 2023, outstanding borrowings under the Third Amended and Restated Credit Agreement, dated as of December 20, 2021, among Crestwood Midstream Partners LP, as borrower, the lenders from time to time party thereto, Wells Fargo Bank, National Association, as administrative agent and collateral agent, and Capital One, National Association, Citizens Bank, N.A., Morgan Stanley Senior Funding, Inc., MUFG Bank Ltd. and Regions Bank, as co-documentation agents (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Partnership Credit Agreement") were repaid in full, and the Partnership Credit Agreement was terminated. The Partnership Credit Agreement provided for a $1.75 billion revolving credit facility (the "Partnership Revolving Credit Facility"), which would have matured on December 20, 2026 and was used for general corporate purposes. The repayment was made directly by Energy Transfer. The Partnership Revolving Credit Facility was terminated prior to the closing of the Merger. At the time of termination, there was $613.0 million in principal borrowings outstanding under the Partnership Revolving Credit Facility and approximately $1.9 million of accrued and unpaid interest thereon. There were no prepayment penalties in connection with the termination of the Partnership Credit Agreement.

Item 2.01 Completion of Acquisition or Disposition of Assets.

The disclosure set forth in the Introductory Note above is incorporated into this Item 2.01 by reference. As a result of the Merger, (i) each common unit representing a limited partner interest in the Partnership (the "Partnership Common Units") issued and outstanding immediately prior to the time the Merger became effective (the "Effective Time") was converted into the right to receive 2.07 (the "Exchange Ratio") common units representing limited partner interests in Energy Transfer ("Energy Transfer Common Units") and (ii) each preferred unit representing a limited partner interest in the Partnership (the "Partnership Preferred Units") issued and outstanding immediately prior to the Effective Time was, at the election of the holder of such Partnership Preferred Unit, either (a) converted into a Partnership Common Unit at a conversion ratio of one Partnership Common Unit for every ten Partnership Preferred Units, subject to the payment of any accrued but unpaid distributions prior to closing of the Merger, and subsequently converted into the right to receive Energy Transfer Common Units at the Exchange Ratio, (b) converted into a security of Energy Transfer that has substantially similar terms as the Partnership Preferred Units ("Energy Transfer Series I Preferred Units"), or (c) redeemed in exchange for cash or Partnership Common Units and subsequently converted into Energy Transfer Common Units at the Exchange Ratio, at the sole discretion of Crestwood Equity GP LLC (the "General Partner"), at a price of $9.857484 per Partnership Preferred Unit, plus accrued and unpaid distributions to the date of such redemption (a "Redemption Election"). No fractional Energy Transfer Common Units were issued in the Merger, and holders of Partnership Common Units will, instead, receive cash in lieu of fractional Energy Transfer Common Units, if any, as provided in the Merger Agreement.

Based on the final results of the elections made by holders of Partnership Preferred Units, (i) holders of approximately 0.60% of the outstanding Partnership Preferred Units elected to have their Partnership Preferred Units converted into Partnership Common Units, which were subsequently converted into Energy Transfer Common Units, (ii) holders of approximately 58.19% of the outstanding Partnership Preferred Units either (a) elected to have their Partnership Preferred Units converted into Energy Transfer Series I Preferred Units or (b) did not deliver a valid election, and, in accordance with the Merger Agreement, were deemed to have elected to have their Partnership Preferred Units converted into Energy Transfer Series I Preferred Units and (iii) holders of approximately 41.21% of the outstanding Partnership Preferred Units elected to have their Partnership Preferred Units redeemed in exchange for cash or Partnership Common Units, at the sole discretion of the General Partner. In accordance with the Merger Agreement, the General Partner elected that any holder of Partnership Preferred Units that properly makes a Redemption Election shall receive the consideration therefor in cash.

In addition, at the Effective Time:

(i) each award of restricted Partnership Common Units ("Partnership Restricted Units") that was outstanding immediately prior to the Effective Time was converted into Energy Transfer Common Units at the Exchange Ratio;

  (a) if the Partnership Restricted Units were granted prior to January 1, 2023, the vesting restrictions with respect to such Partnership Restricted Units lapsed immediately prior to the Effective Time and the Energy Transfer Common Units received upon conversion thereof are free of any vesting restrictions or other conditions;

  (b) if the Partnership Restricted Units were granted on or after January 1, 2023, such Energy Transfer Common Units are subject to the same terms and conditions (including as to vesting, forfeiture and any "double-trigger" protection) as were applicable to the Partnership Restricted Units immediately prior to the Effective Time;

(ii) each award of notional rights representing the right to receive Partnership Common Units upon settlement, subject to performance-based vesting or delivery requirements (each, a "Partnership Performance Unit"), that was outstanding and either vested as of the Effective Time or granted prior to January 1, 2023 (each, a "Pre-2023 Partnership Performance Unit") was cancelled and exchanged for the right to receive (a) the number of Energy Transfer Common Units equal to the product of (x) the Exchange Ratio multiplied by (y) the number of Partnership Common Units that would otherwise be issuable with respect to such Pre-2023 Partnership Performance Unit assuming a 100% performance multiplier and (b) an amount in cash equal to any accrued but unpaid cash distribution equivalents with respect to such Pre-2023 Partnership Performance Units; and

(iii) each outstanding Partnership Performance Unit other than the Pre-2023 Partnership Performance Units (each, a "2023 Partnership Performance Unit") was assumed by Energy Transfer and converted into a time-based phantom unit award representing a contractual right to receive a number of Energy Transfer Common Units equal to the product of (a) the number of Partnership Common Units that were issuable with respect to such 2023 Partnership Performance Unit immediately prior to the Effective Time (including any additional Partnership Performance Units accrued in respect of such 2023 Partnership Performance Unit in connection with distribution equivalent rights granted in connection therewith) assuming the applicable target level of performance was attained multiplied by (b) the Exchange Ratio, rounded to the nearest whole Energy Transfer Common Unit. Such phantom unit awards shall be subject to the same terms and conditions (including as to vesting and forfeiture, any associated distribution equivalent rights and any "double-trigger" protection, but excluding any performance-based vesting conditions) as were applicable to the 2023 Partnership Performance Unit immediately prior to the Effective Time.

The issuance of Energy Transfer Common Units and Energy Transfer Series I Preferred Units in connection with the Merger was registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to Energy Transfer's registration statement on Form S-4 (File No. 333-274526) (the "Registration Statement"), declared effective by the Securities Exchange Commission (the "SEC") on September 29, 2023. The proxy statement/prospectus included in the Registration Statement contains additional information about the Merger.

The foregoing summary has been included to provide investors and security holders with information regarding the Merger and the Merger Agreement and is qualified in its entirety by the terms and conditions of the Merger Agreement, a copy of which was filed as Exhibit 2.1 to the Partnership's Form 8-K filed on August 16, 2023, and the terms of which are incorporated herein by reference.

Item 3.01 Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

Prior to the completion of the Merger, the Partnership Common Units and the Partnership Preferred Units were listed and traded on the New York Stock Exchange ("NYSE") under the trading symbol "CEQP" and "CEQP-P," respectively. In connection with the completion of the Merger, the Partnership (i) notified the NYSE that (a) each eligible and outstanding Partnership Common Unit (including each Partnership Restricted Unit and Partnership Performance Unit) was converted into the right to receive 2.07 Energy Transfer Common Units and (b) each eligible and outstanding Partnership Preferred Unit was either converted or redeemed, as applicable, as set forth in Item 2.01 above and (ii) requested that the NYSE withdraw the listing of Partnership Common Units and Partnership Preferred Units from listing on the NYSE prior to the open of trading on November 3, 2023. Upon the Partnership's request, on November 3, 2023, the NYSE filed a notification of removal of listing on Form 25 to delist the Partnership Common Units and Partnership Preferred Units from the NYSE and the deregistration of the Partnership Common Units and Partnership Preferred Units under Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Partnership Common Units and Partnership Preferred Units ceased being traded prior to the opening of the market on November 3, 2023, and are no longer listed on NYSE.

In addition, Merger Sub (as successor by merger to the Partnership) intends to file with the SEC a Form 15 requesting that the reporting obligations of the Partnership under Sections 13(a) and 15(d) of the Exchange Act be suspended.

The information set forth under Item 2.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.01.

Item 3.03. Material Modification to Rights of Security Holders.

The information set forth in the Introductory Note, Item 1.02, Item 2.01, Item 3.01 and Item 5.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.03.

Item 5.01. Changes in Control of the Registrant.

At the Effective Time, the Partnership merged with and into Merger Sub, and Merger Sub, as successor by merger to the Partnership, remains a subsidiary of Energy Transfer.

The information set forth in the Introductory Note, Item 2.01, Item 3.03 and Item 5.02 of this Current Report on Form 8-K is incorporated by reference into this Item 5.01.

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

At the Effective Time, each of the directors and the named executive officers of the General Partner resigned as directors and named executive officers of the General Partner in connection with the closing of the Merger. None of the directors or named executive officers of the General Partner resigned as a result of any disagreements with the General Partner or the Partnership or any matters related to the operations, policies or practices of the General Partner or the Partnership.

Effective as of the Effective Time, Marshall S. McCrea, III and Thomas E. Long were appointed as directors of the General Partner.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On November 3, 2023, the General Partner entered into the First Amendment (the "Amendment") to the Sixth Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of August 20, 2021, (as amended, the "Partnership Agreement"), effective as of November 3, 2023 (and immediately prior to the closing of the Merger), to (i) increase the cash redemption price for the Partnership Preferred Units in connection with a Redemption Election in the Merger from $9.218573 to $9.857484 per Partnership Preferred Unit and (ii) conform certain terms of the Partnership Preferred Units with Energy Transfer's other outstanding series of preferred units in order to simplify Energy Transfer's capital structure following the Merger. The terms of the Amendment are described in additional detail in the consent solicitation statement on Schedule 14A, filed by the Partnership with the SEC on September 27, 2023, which Amendment was approved by the holders of Partnership Preferred Units on October 25, 2023, as disclosed in the Partnership's Form 8-K filed on October 26, 2023.

The summary of the Amendment in this Current Report does not purport to be complete and is qualified by reference to the full text of the Amendment, a copy of which is filed as Exhibit 3.1 to this Current Report, and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated as of August 16, 2023, by and among Energy Transfer LP, Energy Transfer Merger Sub LLC, Crestwood Equity Partners LP and, solely for the purposes set forth therein, LE GP, LLC. (incorporated by reference to Exhibit 2.1 to the Partnership's Current Report on Form 8-K, filed August 16, 2023 (File No. 001-34664)).*
3.1	First Amendment to the Sixth Amended and Restated Agreement of Limited Partnership of Crestwood Equity Partners LP, dated as of November 3, 2023.
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document (contained in Exhibit 101).

* Schedules to this Exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC upon request.

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.

PACHYDERM MERGER SUB LLC
(as successor by merger to Crestwood Equity Partners LP)

Date: November 3, 2023

By: /s/ Dylan Bramhall
Name: Dylan Bramhall
Title: Executive Vice President and Group Chief Financial Officer

Exhibit 3.1

Execution Version

FIRST AMENDMENT
TO THE
SIXTH AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP
OF
CRESTWOOD EQUITY PARTNERS LP

This First Amendment (this "*Amendment*") to the Sixth Amended and Restated Agreement of Limited Partnership of Crestwood Equity Partners LP, a Delaware limited partnership (the "*Partnership*"), dated as of August 20, 2021, (the "*Partnership Agreement*"), is entered into effective as of November 3, 2023, at the direction of Crestwood Equity GP LLC, as the Managing General Partner of the Partnership (the "*Managing General Partner*"), pursuant to authority granted to it in Section 13 of the Partnership Agreement. Capitalized terms used but not defined herein have the meanings ascribed to them in the Partnership Agreement.

RECITALS

WHEREAS, Section 5.8 of the Partnership Agreement sets forth the rights, powers, privileges, preferences, duties and obligations of the Preferred Units;

WHEREAS, on August 16, 2023, the Partnership entered into an Agreement and Plan of Merger with Energy Transfer LP ("*Energy Transfer*"), Pachyderm Merger Sub LLC, a wholly owned subsidiary of Energy Transfer ("*Merger Sub*"), and, solely for the purposes of Sections 2.1(a), 2.1(b), 2.1(c) and 5.21 thereof, LE GP, LLC, pursuant to which the Partnership will merge with and into Merger Sub (the "*Merger*"), with Merger Sub surviving the merger as a direct wholly owned subsidiary of Energy Transfer;

WHEREAS, in connection with the Merger, the Partnership and the Managing General Partner desire to amend Section 5.8 of the Partnership Agreement as set forth herein;

WHEREAS, pursuant to Section 5.8(d)(ii)(A) of the Partnership Agreement, the affirmative vote of a Super-Majority Interest, voting separately as a class with one vote per Preferred Unit, shall be necessary to amend the Partnership Agreement in any manner that alters or changes the rights, powers, privileges or preferences or duties and obligations of the Preferred Units in any material respect; and

WHEREAS, the Partnership and the Managing General Partner conducted a consent solicitation pursuant to which such affirmative vote was obtained.

NOW, THEREFORE, in consideration of the covenants, conditions and agreements contained herein, the Managing General Partner does hereby agree as follows:

A. Amendments.

Section 1.1 is hereby amended to add the following definition:

"Energy Transfer Merger" means the transactions contemplated by the Agreement and Plan of Merger, dated as of August 16, 2023, by and among Energy Transfer LP, Pachyderm Merger Sub LLC, solely for the purposes of Sections 2.1(a), 2.1(b), 2.1(c) and 5.21 thereof, LE GP, LLC, and the Partnership.

Section 5.8(c) of the Partnership Agreement is hereby amended and restated as follows:

(c) *Distributions*.

(i) Beginning with the first Quarter ending after the Effective Time, the Preferred Holders as of the applicable Record Date shall be entitled to receive distributions in accordance with the following provisions:

(A) The Partnership shall pay a cumulative distribution of $0.2111 per Quarter in respect of each Outstanding Preferred Unit, subject to adjustment in accordance with Sections 5.8(c)(i) and (ii) (the "*Preferred Unit Distribution Amount*" and such distribution, a "*Preferred Unit Distribution*"). For the avoidance of doubt, the Preferred Unit Distribution Amount for the first Quarter ending after the Effective Time shall be calculated for a full Quarter, notwithstanding the fact that the Preferred Units may have been issued after the beginning of such Quarter as a result of the Effective Time occurring during such Quarter.

(B) Each Preferred Unit Distribution paid for any Quarter after the Initial Distribution Period shall be paid in cash at the Preferred Unit Distribution Amount unless (x) no distribution is made with respect to such Quarter pursuant to Section 6.3 or 6.4 with respect to the Parity Securities and Junior Securities (including the Common Units, the Class A Units or the General Partner Interest) and (y) the Partnership's Available Cash is insufficient to pay the Preferred Unit Distribution; *provided, however*, that for purposes of this Section 5.8(c)(i)(B), Available Cash shall not include any deduction to provide funds for distributions under Section 6.4 in respect of any one or more of the next four Quarters. If the Partnership fails to pay in full in cash any distribution (or portion thereof) which any Preferred Holder accrues and is entitled to receive pursuant to this Section 5.8(c)(i)(B), then (x) the amount of such accrued and unpaid distributions will accumulate until paid in full in cash, and (y) the Partnership shall not be permitted to, and shall not, declare or make (i) any distributions in respect of any Junior Securities and (ii) any distributions in respect of any Parity Securities, other than Class A Preferred Pro Rata Distributions, unless and until all accrued and unpaid distributions on the Preferred Units have been paid in full in cash.

Notwithstanding anything in this Section 5.8(c) to the contrary, with respect to Preferred Units that are converted into Common Units, the holder thereof shall not be entitled to a Preferred Unit Distribution and a Common Unit distribution with respect to the same period, but shall be entitled only to the distribution to be paid based upon the class of Units held as of the close of business on the applicable Record Date, together with all accrued but unpaid distributions on the converted Preferred Units.

Subject to and without limiting the other provisions of this Section 5.8, each Preferred Unit shall have the right to receive, and will share pro rata with holders of Common Units (as if the Preferred Units had converted into Common Units at the then-applicable Conversion Ratio) in, any portion of any cash distribution made in the normal course pursuant to Section 6.3 or 6.4 (a "*Quarterly Distribution*") that is in excess of the Specified Distribution Amount. For purposes of this paragraph, "*Specified Distribution Amount*" means an amount that is the greater of (A) the amount of the highest previously paid Quarterly Distribution, on a per Common Unit basis, after the date of the Energy Transfer Merger (as adjusted for combinations, splits, subdivision and similar transactions) and (B) the amount equal to 115% of the Quarterly Distribution, on a per Common Unit basis, for the immediately preceding Quarter.

Subject to and without limiting the other provisions of this Section 5.8, at any time there are accrued but unpaid distributions on the Preferred Units, no special distributions shall be permitted.

All distributions payable on the Preferred Units shall be paid Quarterly, in arrears, on the earlier of: (A) the date that distributions are made on the Common Units for such Quarter pursuant to Section 6.3(a), and (B) the date that is forty-five (45) days after the end of such Quarter.

For the avoidance of doubt, any Available Cash that is distributed pursuant to Section 6.3 or 6.4 shall be distributed in accordance with this Section 5.8(c).

Section 5.8(d) of the Partnership Agreement is hereby replaced in its entirety as follows:

(d) *Voting Rights*.

(i) Notwithstanding anything to the contrary in this Agreement, the Preferred Units shall not have any voting rights or rights to consent or approve any action or matter, except as set forth in Section 13.3(c), this Section 5.8(d) or as otherwise required by Delaware law.

(ii) Notwithstanding anything to the contrary in this Partnership, without the affirmative vote or consent of the holders of at least 66 2/3% of the Outstanding Preferred Units, voting as a separate class, the Managing General Partner shall not adopt any amendment to this Agreement that the Managing General Partner determines would have a material adverse effect on the rights, powers, preferences, duties or special rights of the Preferred Units; provided, however, that (i) subject to Section 5.8(d)(iii), the issuance of additional Partnership Interests (and any amendment to this Agreement in connection therewith) shall not be deemed to constitute such a material adverse effect for purposes of this Section 5.8(d)(ii) and (ii) for purposes of this Section 5.8(d)(ii), no amendment of this Agreement in connection with a merger or other transaction in which the Preferred Units remain Outstanding with the terms thereof materially unchanged in any respect adverse to the Preferred Holders (as determined by the Managing General Partner) shall be deemed to materially and adversely affect the rights, powers, privileges or preferences of the Preferred Units.

(iii) Notwithstanding anything to the contrary in this Agreement, without the affirmative vote or consent of the holders of at least 66 2/3% of the Outstanding Preferred Units, voting as a class, together with the holders of any other Parity Securities upon which like voting rights have been conferred and are exercisable, the Partnership shall not (x) create or issue any Parity Securities (including any additional Preferred Units) if the cumulative distributions payable on Outstanding Preferred Units (or any Parity Securities, if the holders of such Parity Securities vote as a class together with the Preferred Holders pursuant to Section 5.8(c)) through the most recent payment date have not been paid on all Outstanding Preferred Units or (y) create or issue any Senior Securities.

(iv) For any matter described in this Section 5.8(d) in which the Preferred Holders are entitled to vote as a class (whether separately or together with the holders of any Parity Securities), such Preferred Holders shall be entitled to one vote per Preferred Unit. Any Preferred Units held by the Partnership or any of its Subsidiaries or their controlled Affiliates shall not be entitled to vote.

Section 5.8(e) of the Partnership Agreement is hereby amended and restated as follows:

(e) *Change of Control*.

(i) In the event of a Cash COC Event, the Preferred Holders shall convert the Outstanding Preferred Units into Common Units immediately prior to the closing of the Cash COC Event at a conversion ratio equal to the greater of (A) the Conversion Ratio and (B) the quotient of (1) the product of (a) the Preferred Unit Price, multiplied by (b) the Cash COC Conversion Premium, divided by (2) the VWAP Price for the 10 consecutive trading days ending immediately prior to the date of closing of the Cash COC Event, subject to a $1.00 per unit floor on Common Units received, subject to payment of any accrued but unpaid distributions to the date of conversion in accordance with Section 5.8(b)(iv);

(ii) If a Change of Control (other than a Cash COC Event) occurs, then each Preferred Holder shall, at its sole election:

(A) convert all, but not less than all, Preferred Units held by such Preferred Holder into Common Units, at the then-applicable Conversion Rate, subject to payment of any accrued but unpaid distributions to the date of conversion in accordance with Section 5.8(b)(iv);

(B) if (1) either (x) the Partnership is not the surviving entity of such Change of Control or (y) the Partnership is the surviving entity of a Change of Control but the Common Units are no longer listed or admitted to trading on the New York Stock Exchange or another National Securities Exchange and (2) the consideration per Common Unit received by the holders of Common Units in such Change of Control exceeds $1.00, then, at the election of such Preferred Holder, the Partnership shall use its best efforts to deliver or to cause to be delivered to the Preferred Holders, in exchange for their Preferred Units upon such Change of Control, a security in the surviving entity that has substantially similar terms, including with respect to economics and structural protections, as the Preferred Units (a "*Substantially Equivalent Unit*"); *provided*, *however*, that, if the Partnership is unable to deliver or cause to be delivered a Substantially Equivalent Unit to any such electing Preferred Holder in connection with such Change of Control, each such Preferred Holder shall be entitled to (x) take any action otherwise permitted by clause (A), (C) or (D) of this Section 5.8(e)(ii), or (y) convert the Preferred Units held by such Preferred Holder immediately prior to such Change of Control (other than (in the case of clauses (1) and (2) below) any PIK Units, which, solely with respect to a Change of Control contemplated by this Section 5.8(e)(ii)(B), shall be extinguished for no consideration upon the closing of such Change of Control) into a number of Common Units equal to: the quotient of (a) (i) 160% multiplied by the Preferred Unit Price plus (ii) accrued and unpaid distributions as of the effective date of the conversion with respect to the Preferred Units held by such electing Preferred Holder (including any distributions paid at the Deficiency Rate) less (iii) the sum of all cash distributions paid by the Partnership with respect to the Preferred Units held by such electing Preferred Holder during the Initial Distribution Period, prior to the Effective Time, held by such electing Preferred Holder or its predecessors in interest prior to the Initial Distribution Period, divided by (b) 0.97 multiplied by the VWAP Price for the 10 consecutive trading days ending immediately prior to the date of the closing of such Change of Control.

(C) if the Partnership is the surviving entity of such Change of Control and the consideration per Common Unit received by the holders of Common Units in such Change of Control exceeds $1.00, continue to hold Preferred Units; or

(D) require the Partnership to redeem the Preferred Units held by such Preferred Holder at a price per Preferred Unit equal to 101% of the Preferred Unit Price plus accrued and unpaid distributions to the date of such redemption with respect to each of the Preferred Units held by such electing Preferred Holder; provided, that in connection with the Energy Transfer Merger, such price per Preferred Unit shall be 108% of the Preferred Unit Price plus accrued and unpaid distributions to the date of such redemption with respect to each of the Preferred Units held by such electing Preferred Holder. Any redemption pursuant to this sub-clause D shall, in the sole discretion of the Managing General Partner, be paid in either cash or a number of Common Units equal to quotient of (1) the product of (a) 101% of the Preferred Unit Price (or 108% in connection with the Energy Transfer Merger), multiplied by (b) the number of Preferred Units owned by such Preferred Holder that the Partnership has elected to redeem "in kind," divided by (2) the greater of (i) $1.00 and (ii) the product of (x) 0.92 multiplied by (y) the VWAP Price for the 10 consecutive trading days ending immediately prior to such redemption date. Notwithstanding the preceding, the Partnership shall have no obligation to redeem any such Preferred Units in cash unless such redemption complies with the restricted payments covenant in the Indentures.

Notwithstanding any other provision of this Section 5.8(e), any Change of Control in which the consideration to be received by the holders of Common Units has a value of less than $1.00 per Common Unit shall require the affirmative vote of the then-applicable Voting Threshold of the Outstanding Preferred Units, voting separately as a class with one vote per Preferred Unit.

All Common Units delivered upon any conversion or redemption of the Preferred Units in accordance with this Section 5.8(e) shall be (1) newly issued and (2) duly authorized, validly issued, fully paid and non-assessable Limited Partner Interests in the Partnership, except as such non-assessability may be affected by Section 17-607 or 17-804 of the Delaware Act, and shall be free from preemptive rights and free of any lien, claim, rights or encumbrances, other than those arising under the Delaware Act or the Partnership Agreement, as amended by this Amendment.

B. Agreement in Effect. Except as hereby amended, the Partnership Agreement shall remain in full force and effect.

C. Applicable Law. This Amendment shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to principles of conflicts of laws.

D. Severability. Each provision of this Amendment shall be considered severable and if for any reason any provision or provisions herein are determined to be invalid, unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Amendment that are valid, enforceable and legal.

[Signatures on following page]

IN WITNESS WHEREOF, this Amendment has been executed as of the date first written above.

MANAGING GENERAL PARTNER:

Crestwood Equity GP LLC

By: /s/ Robert G. Phillips
Name: Robert G. Phillips
Title: Founder, Chairman and Chief Executive Officer