UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 1, 2011

SEMGROUP CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**1-34736**	**20-3533152**
(State or Other Jurisdiction of Incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

Two Warren Place
6120 S. Yale Avenue, Suite 700
Tulsa, OK 74136-4216
(Address of Principal Executive Offices) (Zip Code)

(918) 524-8100
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(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 (*see* General Instruction A.2. below):

☐ 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))

Item 2.01 Completion of Acquisition or Disposition of Assets.

As previously announced, on August 31, 2011, SemStream, L.P., a Delaware limited partnership ("SemStream") and a wholly-owned subsidiary of SemGroup Corporation (the "Company"), NGL Supply Terminal Company LLC, a Delaware limited liability company ("NGL Subsidiary"), NGL Energy Partners LP, a Delaware limited partnership ("NGL"), and NGL Energy Holdings LLC, a Delaware limited liability company ("Holdings"), entered into a Contribution Agreement ("Contribution Agreement"). On November 1, 2011, the transactions contemplated by the Contribution Agreement were completed. Pursuant to the Contribution Agreement, SemStream sold substantially all of its assets to NGL Subsidiary in exchange for: 8,932,031 common units representing limited partnership interests of NGL ("NGL Common Units"); and $93,054,011.04 in cash consideration which is subject to a customary working capital adjustment (the "Transaction"). As part of the Transaction, SemStream agreed to waive ordinary course cash distributions from NGL on 3,932,031 NGL Common Units until August 30, 2012. In addition, SemStream acquired 7.5% of the equity securities of Holdings, NGL's general partner and holder of its incentive distribution rights for a purchase price of $22,500. The assets of SemStream's wholly-owned subsidiary, SemStream Arizona Propane, L.L.C. were excluded from the Transaction. SemStream is engaged in the terminalling, storage, marketing and distribution of natural gas liquids, primarily propane, and to a certain extent, butane and natural gasoline, and owns twelve natural gas liquids terminals and leases one natural gas liquids terminal.

In connection with the closing of the Contribution Agreement, SemStream entered into the Second Amended and Restated Limited Liability Company Agreement of Holdings ("Second Amended and Restated Limited Liability Company Agreement"). Pursuant to the Second Amended and Restated Limited Liability Company Agreement, SemStream appointed two directors, Norman J. Szydlowski and Kevin Clement, to the board of directors of Holdings and received other customary rights under such agreement.

Further, in connection with the Contribution Agreement, the parties to the agreement contemplated entering into a registration rights agreement with respect to the NGL Common Units. On October 3, 2011, such registration rights agreement was amended and restated by NGL and other parties ("Amended and Restated Registration Rights Agreement"). On November 1, 2011, SemStream and Holdings entered into an amendment and joinder to the Amended and Restated Registration Rights Agreement with respect to the NGL Common Units ("Joinder to Registration Rights Agreement"), pursuant to which SemStream received demand registration rights with respect to the NGL Common Units. SemStream and its affiliates are prohibited by a limited non-competition agreement from competing in the sale, marketing or distribution of propane in certain geographic locations for five years.

The Contribution Agreement contains customary representations, warranties, covenants and indemnities of the parties to the agreement. The Company guaranteed SemStream's indemnification obligations, including breach of certain limited representations and warranties, certain covenants and excluded liabilities such as tax, product liability and employment matters. The liability covered by such guaranty is capped at $15,000,000 and will expire on May 1, 2013.

The Contribution Agreement is attached as an exhibit hereto to provide you with information regarding the terms of the transaction described therein and is not intended to provide you with any other factual information or disclosure about the Company, SemStream or any of their subsidiaries. The representations and warranties and covenants contained in the Contribution Agreement were made for the purposes of the Contribution Agreement and as of a specific date, were solely for the benefit of the parties to the Contribution Agreement, may be subject to limitations agreed upon by the parties, including being qualified by disclosure schedules made for the purposes of allocating contractual risk between the parties thereto instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the parties that differ from those applicable to investors. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Contribution Agreement, which subsequent information may or may not be reflected in the Company's public disclosures. Investors are not third party beneficiaries under the Contribution Agreement and, in light of the foregoing reasons, should not rely on the representations and warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or conditions of the Company, SemStream or their subsidiaries.

The Second Amended and Restated Limited Liability Company Agreement of Holdings, the Amended and Restated Registration Rights Agreement and the Joinder to Registration Rights Agreement are also attached as exhibits hereto.

Item 9.01. Financial Statements and Exhibits.

(b) *Pro Forma Financial Information.*

Filed as Exhibit 99 hereto, and incorporated herein by reference, are unaudited pro forma condensed consolidated financial statements of the Company as of and for the six months ended June 30, 2011 and for the year ended December 31, 2010, which have been prepared to give effect to the Transaction. These unaudited pro forma condensed consolidated financial statements are provided for illustrative purposes only and do not purport to represent what the Company's actual results of operations or financial position would have been if the Transaction had occurred on the dates indicated, nor are they necessarily indicative of the Company's future operating results or financial position.

(d) *Exhibits.*

The following exhibits are filed herewith.

Exhibit No.	Description
2.1	Contribution Agreement dated August 31, 2011, among SemStream, L.P., a wholly-owned subsidiary of SemGroup Corporation, NGL Supply Terminal Company LLC, NGL Energy Partners LP and NGL Energy Holdings LLC.
2.2	Second Amended and Restated Limited Liability Company Agreement of Holdings.
2.3	First Amended and Restated Registration Rights Agreement dated October 3, 2011, among NGL Energy Partners LP, Hicks Oils & Hicksgas, Incorporated, NGL Holdings, Inc., Krim2010, LLC, Infrastructure Capital Management, LLC, Atkinson Investors, LLC, Stanley A. Bugh, Robert R. Foster, Brian K. Pauling, Stanley D. Perry, Stephen D. Tuttle, Craig S. Jones, Daniel Post, Mark McGinty, Sharra Straight, David Eastin, AO Energy, Inc., E. Osterman, Inc., E. Osterman Gas Service, Inc., E. Osterman Propane, Inc., Milford Propane, Inc., Osterman Propane, Inc., Propane Gas, Inc., and Saveway Propane Gas Service, Inc.
2.4	Amendment No. 1 and Joinder to First Amended and Restated Registration Rights Agreement dated November 1, 2011, between NGL Energy Holdings LLC and SemStream, L.P.
99	Unaudited Pro Forma Condensed Consolidated Financial Statements of the Company.

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.

SEMGROUP CORPORATION

Date: November 4, 2011

By: /s/ Robert N. Fitzgerald
Robert N. Fitzgerald
Senior Vice President and
Chief Financial Officer

EXHIBIT INDEX

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CONTRIBUTION AGREEMENT

DATED AS OF

AUGUST 31, 2011

BY AND AMONG

SEMSTREAM, L.P.

NGL ENERGY PARTNERS LP,

NGL ENERGY HOLDINGS, LLC,

AND

NGL SUPPLY TERMINAL COMPANY, LLC

TABLE OF CONTENTS

The SEM Disclosure Schedule, the NGL Disclosure Schedule and the following exhibits marked with an asterisk have been omitted, and the Registrant agrees to furnish supplementally a copy of such omitted schedules and exhibits to the Securities and Exchange Commission upon its request.

EXHIBITS

Exhibit A	Assumed Affiliate Contracts*
Exhibit B	Form of Bill of Sale and Assignment*
Exhibit C	Form of Non-Competition Agreement*
Exhibit D	Form of Parent Guaranty*
Exhibit E	Form of Registration Rights Agreement
Exhibit F	Retained Assets*
Exhibit G	Assumption Agreement*
Exhibit H	Form of Transition Services Agreement*
Exhibit I	Form of Second Amended and Restated Limited Liability Company Agreement of Holdings

CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT (this "Agreement") dated as of August 31, 2011 (the "Execution Date"), is entered into by and among SemStream, L.P., a Delaware limited partnership ("SemStream," and together with the Limited Partner (as defined below), the "SEM Group Entities"), NGL Supply Terminal Company LLC, a Delaware limited liability company ("NGL Subsidiary"), NGL Energy Partners LP, a Delaware limited partnership ("NGL"), and NGL Energy Holdings LLC, a Delaware limited liability company ("Holdings," and together with NGL Subsidiary and NGL, the "NGL Group Entities").

WITNESSETH:

A. WHEREAS, Holdings owns all of the issued and outstanding general partnership interests of NGL.

B. WHEREAS, NGL owns all of the issued and outstanding limited liability company interests of NGL Subsidiary.

C. WHEREAS, each of NGL and Holdings will receive direct and indirect benefits from the consummation of the transactions contemplated hereunder.

D. WHEREAS, SemStream desires to contribute, transfer, assign and sell substantially all of its assets (other than the Retained Assets) to NGL Subsidiary, and NGL Subsidiary desires to acquire and purchase substantially all of the assets of SemStream (other than the Retained Assets), on the terms and conditions set forth in this Agreement.

E. WHEREAS, in connection with the transactions contemplated hereunder, SemStream desires to acquire, and Holdings desires to issue to SemStream, certain membership interests of Holdings.

NOW, THEREFORE, in consideration of the premises set forth above and the respective representations, warranties, covenants, agreements and conditions contained in this Agreement, as well as other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I
DEFINITIONS

1.1 Definitions. In this Agreement, unless the context otherwise requires, the following terms shall have the following respective meanings:

"Accounts Receivable" means all present and future rights to payment for goods or services rendered whether or not earned by performance, including, without limitation, all accounts or notes receivable owned or held by SemStream.

"Accrued Additional Premiums" means, if any, the aggregate amount accrued on the books of SemStream attributable to premiums or claims to be paid by SemStream for health plan coverage for the Transferred Employees during the period following the Closing Date through the end of the calendar month in which the Closing occurs.

"Additional NGL Units" has the meaning set forth in Section 2.1(a)(i).

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, the Person in question. As used herein, the term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"Aggregate Consideration" has the meaning in Section 2.1(a).

"Agreement" has the meaning set forth in the Preamble.

"Amended Holdings LLC Agreement" means the Second Amended and Restated Limited Liability Company Agreement of Holdings in the form of Exhibit I hereto.

"Ancillary Agreements" means, collectively, the Non-Competition Agreement, the Parent Guaranty, the Registration Rights Agreement, the Amended Holdings LLC Agreement and the Transition Services Agreement.

"Applicable Closing Storage Amount" means (i) $4,932,500 (in the event the Closing Date is on or before October 1, 2011); (ii) $4,110,417 (in the event the Closing Date is after October 1, 2011 but on or before November 1, 2011); (iii) $3,288,333 (in the event the Closing Date is after November 1, 2011 but on or before December 1, 2011); (iv) $2,466,250 (in the event the Closing Date is after December 1, 2011 but on or before January 1, 2012); (v) $1,644,167 (in the event the Closing Date is after January 1, 2012 but on or before February 1, 2012); (vi) $822,083 (in the event the Closing Date is after February 1, 2012 but on or before March 1, 2012); and (vii) zero (if the Closing Date is on or after March 1, 2012)

"Assumed Accrued Liabilities" means current liabilities of SemStream (excluding Retained Accrued Trade Payables) included in the definition of Assumed Liabilities in an amount not in excess of $3,000,000 in the aggregate.

"Assumed Affiliate Contracts" means those Contracts listed on Exhibit A hereto.

"Assumed Liabilities" has the meaning set forth in Section 2.2.

"Assumed Taxes" means the following Taxes to the extent accrued as a current liability on the Net Working Capital Closing Statement and included in the calculation of Final Net Working Capital: (i) real or personal property Taxes with respect to the Contributed Assets that are due and payable by NGL Subsidiary without penalty after the Closing Date and which are attributable to a Pre-Closing Tax Period and (ii) employment Taxes with respect to wages payable to the Transferred Employees that are due and payable by NGL Subsidiary without penalty after the Closing Date which are attributable to a Pre-Closing Tax Period.

"Assumption Agreement" has the meaning set forth in Section 2.1(a)(vi).

"Bankruptcy Plan" means the Fourth Amended Joint Plan of Affiliated Debtors Pursuant to Chapter 11 of the Bankruptcy Code, dated September 25, 2009 (Docket No. 5808), confirmed by the court on October 28, 2009 (Docket 6347) and as modified.

"Bill of Sale and Assignment" means a Bill of Sale and Assignment dated as of the Closing Date between NGL Subsidiary and SemStream in substantially the form of Exhibit B hereto.

"Business" means the terminalling, storage, marketing, and distribution of natural gas liquids, primarily propane, including wholesale marketing at private and common carrier terminals and natural gas liquids supply to retail, petrochemical and commercial customers.

"Business Day" means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the State of Oklahoma shall not be regarded as a Business Day.

"Calculation Date" means the end of the Business Day immediately preceding the Closing Date.

"Cap" has the meaning set forth in Section 7.2(b)(i).

"Closing" has the meaning set forth in Section 2.1.

"Closing Date" has the meaning set forth in Section 2.1.

"COBRA" means the provisions for the continuation of health care enacted by the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and as codified in Section 4980B of the Code and Section 601 et. seq. of ERISA, and the rules and regulations promulgated thereunder.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collective Bargaining Agreement" shall mean any Contract between a Person and a labor organization.

"Confidential Information" has the meaning set forth in Section 5.2(c).

"Confidentiality Agreement" means that certain confidentiality agreement between SemGroup Corporation and Silverthorne Operating LLC dated December 16, 2010.

"Consideration Allocation Schedule" has the meaning set forth in Section 2.6.

"Contracts" means all contracts, leases, subleases, arrangements, commitments and other agreements, whether written or oral, including, without limitation, all license agreements, customer agreements, vendor agreements, purchase orders, installation and maintenance agreements, computer software licenses, hardware lease or rental agreements.

"Contributed Assets" means all assets, rights and properties owned by SemStream on the Closing Date, whether or not carried and reflected on the books of SemStream (excluding the Retained Assets), including, without limitation, the following:

(a) Derivative Transactions to which SemStream is a party;

(b) all deposits and advances, prepaid expenses and other prepaid items of SemStream (collectively, "Prepaid Assets") and all rights of SemStream to receive discounts, refunds, rebates awards and the like, excluding Margin and Cash Collateral Deposits;

(c) the Inventories of SemStream (except as may be provided in Section 2.1(a)(i);

(d) the Equipment and Improvements of SemStream;

(e) all Owned Real Property of SemStream;

(f) all Real Property Leases (including with respect to leased storage facilities), together with any right, title and interest of SemStream thereunder in and to the Leased Real Property;

(g) all Contracts to which SemStream is a party (including with respect to railcar leases and any Derivative Transaction) and the Contracts entered into by SemStream after the date hereof in compliance with the terms and provisions of this Agreement and which relate to the Business, except Contracts included in the definition of Retained Assets;

(h) all Intellectual Property of SemStream;

(i) any Permits held by SemStream to the extent any of the same are transferable or assignable to NGL Subsidiary;

(j) SemStream's choses in action, claims and causes of action or rights of recovery or set-off of every kind and character;

(k) except as included in the Retained Assets, all of SemStream's files, papers, documents and records relating to the Business, and all other miscellaneous assets of SemStream relating to the Business wherever located, including, without limitation, credit, sales and accounting records, books, processes, formulae, manufacturing data, advertising material, stationery, office supplies, forms, catalogues, manuals, correspondence and production records; and

(l) goodwill related to the Business.

"Contribution NGL Units" has the meaning set forth in Section 2.1(a)(ii).

"Damages" has the meaning set forth in Section 7.2(a).

"Delaware Courts" has the meaning set forth in Section 9.2.

"Derivative Transaction" means any swap transaction, option, warrant, forward purchase or sale transaction, futures transaction, cap transaction, floor transaction or collar transaction relating to one or more commodities, currencies, bonds, equity securities, loans, interest rates, catastrophe events, weather-related events, credit-related events or conditions or any indexes, or any other similar transaction whether physical or financial in nature (including any option with respect to any of these transactions).

"Disclosure Schedule" means the applicable disclosure schedule prepared and delivered by the applicable Party as of the Execution Date pursuant to the terms and conditions hereof.

"Distribution Waiver Units" has the meaning set forth in Section 5.24(c).

"Employee Benefit Plan" means any "employee benefit plan" (within the meaning of Section 3(3) of ERISA), any plans that would be "employee benefit plans" if they were subject to ERISA (such as foreign plans and plans for directors), and any equity or equity-based compensation, change-in-control, incentive, employee loan, deferred compensation, pension, profit-sharing, retirement, bonus, retention bonus, severance and other employee benefit, compensation or fringe benefit plan, agreement, program, policy, practice, understanding or other arrangement, regardless of whether subject to ERISA (including any funding mechanism now in effect or required in the future), whether formal or informal, oral or written, legally binding or not, which is maintained by, sponsored by or contributed to by or obligated to be contributed to by the entity in question for the benefit of such entity's current or former employees, directors, officers or independent contractors, or with respect to which the entity in question has any obligation or liability, whether secondary, contingent or otherwise, including by reason of having an ERISA Affiliate.

"Employment Agreement" means any Contract to which any Person is a party with a natural person (whether as an employee, director or consultant), which provides for compensation for such Person's services, other than (i) standard offer letters providing only for at-will employment or (ii) any Contract that is terminable upon 30 days or less notice without liability to the employer entity or service recipient or any Affiliate of the employer entity or service recipient.

"Encumbrances" means pledges, restrictions on transfer, proxies and voting or other agreements, liens, claims, charges, mortgages, security interests or other legal or equitable encumbrances, limitations or restrictions of any nature whatsoever.

"End Date" has the meaning set forth in Section 8.1(e).

"Environmental Condition" means (a) any non-compliance with, or failure to implement the requirements of, Environmental Laws or Environmental Permits and (b) the presence or Release of Hazardous Materials in violation of or in quantities exceeding standards set by Environmental Law on real property leased or owned as of the Closing Date by the applicable Person.

"Environmental Laws" means any applicable Law (including common law) regulating or prohibiting Releases of Hazardous Materials into any part of the workplace or the environment, relating to the generation, manufacture, processing, distribution, use, treatment, storage,

transport, or disposal of Hazardous Materials, or pertaining to the prevention of pollution or remediation of contamination or the protection of natural resources, wildlife, the environment, or public or employee health and safety including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. Section 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 5101 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Section 6901 et seq.), the Clean Water Act (33 U.S.C. Section 1251 et seq.), the Clean Air Act (42 U.S.C. Section 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.), the Oil Pollution Act of 1990 (33 U.S.C. Section 2701 et seq.), the Atomic Energy Act of 1954 (42 U.S.C. Section 2014 et seq.), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Section 136 et seq.), and the Occupational Safety and Health Act (29 U.S.C. Section 651 et seq.), and any analogous international treaties, national, provincial, state or local statutes, and the regulations promulgated pursuant thereto, as such laws have been amended as of the Closing Date.

"Equipment and Improvements" means facilities and structures, buildings, installations, fixtures, improvements, betterments, additions, spare parts, stores, supplies, fuel and lubes, machinery, equipment, cranes, forklifts, platforms, vehicles, trucks, chassis, generators, containers, spare tires and parts, tools, appliances, furniture, office furniture, fixtures, office supplies and office equipment, computers, computer terminals and printers, computer software, telephone systems, telecopiers and photocopiers, and other tangible personal property of every kind and description.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" of an entity means a corporation, trade, business, or entity under common control with such entity, within the meaning of Section 414(b), (c), (m) or (o) of the Code or Section 4001 of ERISA.

"Estimated Net Working Capital" has the meaning set forth in Section 2.1(a)(i).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Excluded Employee" has the meaning set forth in Section 5.3(a).

"Excluded Liabilities" has the meaning set forth in Section 2.3.

"Excluded Taxes" means all (i) Taxes (including all related interest and penalties) of SemStream that are unrelated to the Contributed Assets, the Business or any Transferred Employee; (ii) income Taxes (including all related interest and penalties) payable by, or with respect to income of, SemStream (including those imposed on, or with respect to, SemStream as a result of the transactions contemplated hereby); (iii) Taxes that relate to the Contributed Assets, the Business or any employee of SemStream (including a Transferred Employee) for any Pre-Closing Tax Period that are not Assumed Taxes; and (iv) all of the Transfer Taxes.

"Execution Date" has the meaning set forth in the Preamble.

"Existing Credit Agreement" means the Credit Agreement dated October 14, 2010 by and among Silverthorne Operating, LLC, NGL Supply, LLC, Hicksgas, LLC, NGL Supply Retail,

LLC, NGL Supply Wholesale, LLC, and NGL Subsidiary, as joint and several borrowers, NGL and certain Subsidiaries of NGL as guarantors, each of the financial institutions party thereto, Wells Fargo Bank, National Association, as agent for the financial institutions, and Wells Fargo Securities LLC, BNP Paribas Securities Corp. and Harris N.A. as joint lead arrangers and bookrunners, as amended or supplemented, if applicable, including any promissory notes, pledge agreements, security agreements, mortgages, guarantees and other instruments or agreements entered into by NGL or any of its Subsidiaries in connection therewith or pursuant thereto, in each case as amended or supplemented, if applicable.

"FERC" means the Federal Energy Regulatory Commission.

"Final Net Working Capital" has the meaning set forth in Section 2.4(a).

"Financial Statements" has the meaning set forth in Section 3.4.

"GAAP" has the meaning set forth in Section 1.2(c).

"General Partner" means SemOperating G.P., L.L.C., an Oklahoma limited liability company.

"Governmental Authorization" has the meaning set forth in Section 3.2(c).

"Governmental Entity" means any (a) multinational, federal, national, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, administrative agency, board or bureau, domestic or foreign, (b) subdivision, agent, commission, board, or authority of any of the foregoing, or (c) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing, in each case, that has jurisdiction or authority with respect to the applicable party.

"Hart-Scott-Rodino Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

"Hazardous Material" means and includes any substance defined, designated or classified as a hazardous waste, hazardous substance, hazardous material, contaminant or toxic substance under any Environmental Law, including any petroleum or petroleum products, by products or derivatives thereof.

"Holdings" has the meaning set forth in the Preamble.

"Holdings Interests" has the meaning set forth in Section 2.1(d).

"Holdings LLC Agreement" shall mean that certain First Amended and Restated Limited Liability Company Agreement of Holdings, dated as of October 14, 2010, as amended from time to time.

"Indebtedness" means (i) indebtedness of SemStream for money borrowed (including any prepayment penalties, fees, premiums or expenses with respect thereto); (ii) indebtedness

evidenced by notes, debentures, bonds or other similar instruments for the payment of which SemStream is responsible or liable (including derivative financial instruments such as foreign currency contracts and interest rate swaps, letters of credit and performance or surety bonds), including the current portion of such indebtedness; (iii) all obligations of SemStream under leases required to be capitalized in accordance with GAAP; (iv) all obligations of the type referred to in clauses (i) through (iii) of any Persons for the payment of which SemStream is responsible or liable, directly or indirectly, as obligor, guarantor, surety or otherwise, including guarantees of such obligations; and (iv) all obligations of the type referred to in clauses (i) through (iii) of other Persons secured by any Lien on any property or asset of any SemStream (whether or not such obligation is assumed by SemStream).

"Indemnified Party" means each Person entitled to indemnification in accordance with Article VII.

"Indemnifying Party" means each Person from whom indemnification may be required in accordance with Article VII.

"Indemnity Notice" has the meaning set forth in Section 7.4(b).

"Independent Contractor" means an individual (other than a Related Employee), not a business organization, who provides services primarily for the benefit of a Person.

"Information Statement" means that certain Information Statement dated August 30, 2011 delivered to SemStream by NGL.

"Initial Excess Amount" has the meaning set forth in Section 2.1(a)(i).

"Intellectual Property" means patents, trademarks, service marks, trade names, copyrights, trade secrets, know-how, and inventions, and similar rights, and all registrations of, applications for, and other rights with respect to any of the foregoing owned by SemStream, except for the Retained Intellectual Property.

"Intrinsic Storage Value" means the intrinsic storage value of SemStream's Inventory position, calculated as: (A) the difference, if positive, between (i) the forward market quotation for January 2012 and (ii) the spot market quotation, in each case as of the Closing and for each product at each Inventory location and as provided by Liquidity Partners or if such market quotations are not available, from another source acceptable to both parties, multiplied by (B) SemStream's inventory volume for each product at each location as measured in the corresponding unit; provided further that "Intrinsic Storage Value" shall never be deemed to be negative nor exceed the Applicable Closing Storage Amount.

"Inventories" means all hydrocarbon products, including propane, butane and natural gasoline.

"Knowledge" means (a) with respect to SemStream, the actual knowledge of Kevin Clement, Tim O'Sullivan, and Candice Cheeseman after due inquiry and reasonable investigation and (b) with respect to NGL Subsidiary, the actual knowledge of Shawn Coady, Michael Krimbill, Stephen D. Tuttle, and Brian K. Pauling after due inquiry and reasonable investigation.

"Laws" means all statutes, regulations, statutory rules, orders, judgments, decrees and terms and conditions of any grant of approval, permission, authority, permit or license of any court, Governmental Entity, statutory body or self-regulatory authority.

"Leased Real Property" has the meaning set forth in Section 3.10(b).

"Leave Employee" has the meaning set forth in Section 5.3(a).

"Liability" means any liability, debt, loss, damage, adverse claim, or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due, and whether in contract, tort, strict liability or otherwise), and including all costs and expenses (including attorneys' fees and costs of investigation) relating thereto.

"Limited Partner" means SemGroup Corporation, a Delaware corporation.

"Liquidated Inventory Intrinsic Storage Value" means $1,278,443.

"Liquidated Inventory Transaction Cost Amount" means $500,000.

"Liquidity Partners" means Liquidity Partners based in Houston, Texas.

"Margin and Cash Collateral Deposits" means initial and variation margin held by clearing brokers, cash collateral and letters of credit held by counterparties, or similar credit support posted in connection with Derivative Transactions.

"Marked-to-Market Value" means with respect to Derivative Transactions (A) the difference between (i) the market price and (ii) the contract price multiplied by (B) the contract volume for each Derivative Transaction and with respect to Inventory means (A) the difference between the (i) market price and (ii) the weighted average cost GAAP value for Inventory multiplied by (B) the volume of Inventory.

"Material Adverse Effect" means, with respect to any given Person, any event, occurrence, fact, condition, change, development or effect, individually or in the aggregate, that has had or is reasonably likely to result in a material and adverse effect on the business, assets, financial condition or results of operations of such Person; *provided*, however, that a Material Adverse Effect shall not include any effect on the business, assets, financial condition or results of operations of such Person to the extent arising or resulting from (a) changes in the general state of the industries in which such Person operates solely to the extent such changes do not have a disproportionate effect on such Person, (b) changes in general economic conditions (including changes in commodity prices or interest rates) solely to the extent such changes to do not have a disproportionate effect on such Person, (c) the announcement or proposed consummation of the transactions contemplated by this Agreement (*provided* that the exceptions in this clause (c) shall not apply to that portion of any representation or warranty contained in this Agreement to the extent that the purpose of such portion of such representation or warranty

is to address the consequences resulting from the execution and delivery of this Agreement, the public announcement or pendency of the transactions contemplated by this Agreement or the performance of obligations or satisfaction of conditions under this Agreement), (d) changes in applicable Law or the interpretation or enforcement thereof, (e) changes in GAAP or the interpretation thereof, (f) acts of terrorism, war, sabotage or insurrection not directly damaging or impacting such Person or (g) compliance with the terms of, or the taking of any action required by, this Agreement.

"Material Agreements" has the meaning set forth in Section 3.7(a).

"Materiality Requirement" means any requirement in a representation or warranty that a condition, event or state of fact be "material," correct or true in "all material respects," have a "SemStream Material Adverse Effect," or a "NGL Material Adverse Effect," or be or not be "reasonably expected to have a SemStream Material Adverse Effect," or "reasonably expected to have an NGL Material Adverse Effect" (or other words or phrases of similar effect or impact) in order for such condition, event or state of facts to cause such representation or warranty to be inaccurate.

"Net Working Capital" means, on a consolidated basis for SemStream (i) total Inventory and all Prepaid Assets included as Contributed Assets, less (ii) total current liabilities included as Assumed Liabilities (excluding the current portion of long term Indebtedness), in each case calculated in accordance with the past practices utilized in preparing the most recent Financial Statements less (iii) the Storage Amount; provided, notwithstanding the foregoing, Inventory shall be valued at its weighted average cost GAAP basis plus the Marked-to-Market Value of such Inventory based upon spot market quotations provided by Liquidity Partners or, if such spot market quotations are not available, from another source acceptable to NGL and SemStream; provided further that Net Working Capital shall give effect to the Marked-to-Market Value (positive or negative) of SemStream's Derivative Transactions based upon forward market quotations provided by Liquidity Partners or, if such forward market quotations are not available, from another source acceptable to NGL and SemStream; provided, further, all Transfer Taxes and all Accrued Additional Premiums, if any, shall be excluded from the calculation. For the avoidance of doubt, the past practices applied in preparing such financial statements, including subjective elements and management judgments, shall not be disputed, absent manifest error or the explicit provisions of this Agreement.

"Net Working Capital Closing Statement" has the meaning set forth in Section 2.4(a).

"Net Working Capital Threshold" shall mean an amount equal to $0.00.

"New SolArc Agreement" means that certain Amendment, Partial Assignment and Agreement to Enter Into a License Agreement among SolArc, Inc., SemGroup Corporation and NGL Subsidiary.

"NGL" has the meaning set forth in the Preamble.

"NGL Business Combination" means a merger, consolidation, "business combination", recapitalization or other transaction in which NGL is a constituent entity or to which NGL is a party and pursuant to which NGL Common Units are exchanged for cash, securities or other

property or a sale of all or substantially all of the assets of NGL and its Subsidiaries, taken as a whole; provided, however, that none of the following shall be deemed an NGL Business Combination for purposes of this Agreement: (i) a merger, consolidation, recapitalization or other transaction in which the beneficial ownership of the NGL Common Units or the equity of the surviving entity of the transaction immediately after the consummation of such transaction is substantially the same as the ownership of the NGL Common Units immediately prior to the consummation of the transaction or (ii) a merger (A) in which NGL is the surviving entity, (B) in which all NGL Common Units immediately prior to the consummation of such merger remain outstanding immediately after the consummation thereof, and (C) as a result of the consummation of which no Person will beneficially own a majority of the issued and outstanding NGL Common Units.

"NGL Closing Deliverables" has the meaning set forth in Section 2.1(c).

"NGL Common Units" means common units representing limited partner interests of NGL.

"NGL Deductible" has the meaning set forth in Section 7.3(b)(ii).

"NGL Disclosure Schedule" means the disclosure schedule prepared and delivered by NGL Subsidiary as of the Execution Date pursuant to the terms and conditions hereof.

"NGL Financial Statements" has the meaning set forth in Section 4.6(b).

"NGL Group Entities" has the meaning set forth in the Preamble.

"NGL Indemnified Parties" has the meaning set forth in Section 7.2(a).

"NGL LP Agreement" shall mean that certain Second Amended and Restated Agreement of Limited Partnership of NGL, dated as of May 10, 2011, as amended from time to time.

"NGL Material Adverse Effect" means a Material Adverse Effect with respect to NGL, or a material adverse effect on the ability of any of the NGL Group Entities to consummate the transactions provided for herein or to perform their obligations hereunder.

"NGL's Post-Closing Covenants" has the meaning set forth in Section 7.1.

"NGL's Pre-Closing Covenants" has the meaning set forth in Section 7.1.

"NGL SEC Reports" has the meaning set forth in Section 4.6(a).

"NGL Subsidiary" has the meaning set forth in the Preamble.

"NGL Underwriting Agreement" means that certain Underwriting Agreement dated as of May 11, 2011 by and among NGL, Holdings and the other parties thereto.

"NGL Units" has the meaning set forth in Section 2.1(a)(ii).

"Non-Competition Agreement" means that certain Non-Competition Agreement in the form attached hereto as Exhibit C.

"Notice" has the meaning set forth in Section 9.1.

"Offset Amount" has the meaning set forth in Section 2.1(a)(iii).

"Oracle License" means that certain license agreement between SemGroup Corporation and Oracle dated August 29, 2005.

"Owned Real Property" has the meaning set forth in Section 3.10(a).

"Parent Guaranty" means that certain Parent Guaranty in the form of Exhibit D hereto.

"Partnership Documents" means (a) all Subject Instruments and (b) all other contracts, indentures, mortgages, deeds of trust, loan or credit agreements, bonds, notes, debentures, evidences of indebtedness, swap agreements, leases or other instruments or agreements to which NGL or any of its Subsidiaries is a party or by which NGL or any of its subsidiaries is bound or to which any of the property or assets of NGL or any of its subsidiaries is subject that solely in the case of this clause (b), are material with respect to NGL and its subsidiaries taken as a whole.

"Party" or "Parties" means any party to this Agreement.

"Permits" has the meaning set forth in Section 3.6(b).

"Permitted Encumbrances" means any (a) Encumbrances for Taxes (i) not yet delinquent or (ii) being contested in good faith by appropriate proceedings, (b) statutory Encumbrances (including materialmen's, warehousemen's, mechanic's, repairmen's, landlord's, and other similar liens) arising in the ordinary course of business and securing payments not yet delinquent or being contested in good faith by appropriate proceedings, (c) Encumbrances of public record (other than for indebtedness for borrowed money), (d) the rights of lessors and lessees under leases, and the rights of third parties under any agreement, included in the Contributed Assets and disclosed to NGL, (e) rights of licensors and licensees under licenses included in the Contributed Assets and disclosed to NGL, (f) restrictive covenants, easements, rights of way, defects, imperfections or irregularities of title and other similar encumbrances entered into in the ordinary course of business, which (i) do not materially interfere with either the present use of such property and (ii) do not individually or in the aggregate interfere with the conduct of the business of such Person, and (g)(i) purchase money Encumbrances and (ii) Encumbrances securing rental payments under capital lease arrangements.

"Person" includes any individual, firm, partnership, joint venture, venture capital fund, limited liability company, association, trust, estate, group, body corporate, corporation, unincorporated association or organization, Governmental Entity, syndicate or other entity, regardless of whether having legal status.

"Phase I Report" means a report for Phase I environmental site assessment conducted in accordance with the ASTM International Standard Practice E 1527-05.

"Phase II" means a Phase II environmental site assessment conducted in accordance with ASTM International Standard Guide E1903-97(2002), which may include subsurface investigation.

"Pipeline Assets" means collectively (i) that certain pipeline from Rixie Terminal to Teppco PL in Arkansas, and (ii) that certain pipeline from Bakken Gas Plant to Sidney Terminal in Montana, in each instance, with related personalty.

"Post-Closing Tax Period" means any Tax period (or portion of a period) beginning after the Closing Date.

"Potential Employee" has the meaning set forth in Section 5.3(a).

"Pre-Closing Tax Period" means any Tax period (or portion of a period) ending on or before the Closing Date.

"Pre-Paid Assets" has the meaning set forth in the definition of "Contributed Assets".

"Real Property" means collectively the Owned Real Property and Leased Real Property.

"Real Property Leases" means all leases, lease guaranties, subleases, licenses, easements, rights-of-way, and agreements, whether written or oral, for the leasing, use or occupancy of, or otherwise granting a right in or relating to the Leased Real Property, including all amendments, terminations and modifications thereof and all subordination, non-disturbance and attornment agreements and estoppel certificates with respect thereto.

"Referee" means Ernst & Young.

"Registration Rights Agreement" means that certain Registration Rights Agreement in the form of Exhibit E hereto providing for demand registration rights and unlimited piggyback registrations rights subject to the terms thereof.

"Registration Statement" means a Rule 462(b) Registration Statement as filed with the SEC by NGL.

"Related Employees" means employees of any SEM Group Entity who work primarily for the benefit of SemStream.

"Release," when used in connection with Hazardous Materials, means any depositing, spilling, leaking, pumping, pouring, placing, burying, emitting, discarding, abandoning, emptying, discharging, migrating, injecting, escaping, leaching, dumping or disposing into the environment.

"Representatives" has the meaning set forth in Section 2.4(a).

"Retained Accrued Trade Payables" means those Liabilities of SemStream accrued as of the Closing Date constituting trade or service payables.

"Retained Assets" means all of the following assets of SemStream: (i) all rights under this Agreement and any other agreement executed and delivered by SemStream pursuant to the terms hereof, (ii) the capital stock, partnership interests, limited liability company interests or other equity interests owned by SemStream, including but not limited to SemStream's membership interests in SemStream Arizona, (iii) Contracts entered into with any Affiliate (excluding the Assumed Affiliate Contracts) or in connection with Indebtedness, (iv) the Employee Benefit Plans and any Employment Agreement or other agreement with any current or former employee, officer or director, (v) all cash and cash equivalents and all bank or other accounts holding cash or cash equivalents, (vi) all Accounts Receivables, (vii) all rights to any Tax refunds for any Excluded Taxes, (viii) the corporate seals, organizational documents, minute books, stock books, Tax Returns related to Excluded Taxes, books of account or other records having to do with the corporate organization of SemStream, (ix) any and all insurance policies, (ix) any Retained Parcel; (x) Retained Intellectual Property, (xi) all employment records, (xii) the Oracle License, (xiii) the SolArc Agreement, (xiv) any Permit or Contract not assigned pursuant to Section 5.9, (xv) the Inventory referenced in Section 2.1(a)(i), (xvi) the Margin and Cash Collateral Deposits and the accounts in which deposited (xvii) Prepaid Assets relating to any other Retained Asset or as set forth on Exhibit F and (xviii) the assets described on Exhibit F hereto.

"Retained Intellectual Property" means the trade name "SemStream" and any similar name, and the domain name and other Internet addresses or identifiers "SemStream.com" and all content thereon.

"Retained Parcel" means any parcel of Owned Real Property which NGL has elected, in accordance with Section 5.17(b), to exclude from the Contributed Assets.

"Retained Property Value" means the aggregate value ascribed to each Retained Parcel as set forth on Section 1.1 of the SEM Disclosure Schedule.

"Rights-of-Way" has the meaning set forth in Section 3.10(e).

"SEC" means the Securities Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"SEM Closing Deliverables" has the meaning set forth in Section 2.1(b).

"SEM Deductible" has the meaning set forth in Section 7.2(b)(ii).

"SEM Disclosure Schedule" means the disclosure schedule prepared and delivered by SemStream as of the Execution Date pursuant to the terms and conditions hereof.

"SEM Group Entities" has the meaning set forth in the Preamble.

"SEM Indemnified Parties" has the meaning set forth in Section 7.3(a).

"SemManagement" means SemManagement, L.L.C., a Delaware limited liability company.

"SemManagement Plan" has the meaning set forth in Section 3.14(b).

"SemStream" has the meaning set forth in the Recitals hereto.

"SemStream Arizona" means SemStream Arizona Propane, L.L.C., a Delaware limited liability company.

"SemStream Fundamental Representations" has the meaning set forth in Section 7.1.

"SemStream Marks" has the meaning set forth in Section 5.19(a).

"SemStream Material Adverse Effect" means a Material Adverse Effect with respect to SemStream, or a material adverse effect on the ability of SemStream to consummate the transactions provided for herein or to perform its obligations hereunder.

"SemStream's Post-Closing Covenants" has the meaning set forth in Section 7.1.

"SemStream's Pre-Closing Covenants" has the meaning set forth in Section 7.1.

"Short-Term Agreement" means any Contract entered into in the ordinary course of business that either (i) has a stated term that is no longer than twelve months, or (ii) may be terminated without cause or penalty by any party thereto upon giving 45 days (or less) written notice to the other party.

"SolArc Agreement" means that certain Software License Agreement – Right Angle Software dated as of November 2, 1998 between SemStream (as successor in interest to Williams Energy Services Company) and SolArc, Inc., as amended from time to time.

"State Regulatory Authority" means any state agency or authority having jurisdiction over the rates, facilities or operations of SemStream.

"Storage Amount" means (i) the Applicable Closing Storage Amount less (ii) the sum of (a) the Intrinsic Storage Value, (b) Liquidated Inventory Intrinsic Storage Value, and (c) Liquidated Inventory Transaction Cost Amount. Storage Amount shall not be a negative number.

"Subject Instruments" means the Existing Credit Agreement and all other instruments, agreements and documents filed as exhibits to the Registration Statement of NGL pursuant to Rule 601(b)(10) of Regulation S-K of SEC; provided, that if any instrument, agreement or other document filed as an exhibit to the Registration Statement as aforesaid has been redacted or if any portion thereof has been deleted or is otherwise not included as part of such exhibit (whether pursuant to a request for confidential treatment or otherwise), the term "Subject Instruments" shall nonetheless mean such instrument, agreement or other document, as the case may be, in its entirety, including any portions thereof which shall have been so redacted, deleted or otherwise not filed.

"Subsidiary" means, with respect to any Person, any corporation or other organization, whether incorporated or unincorporated, of which (i) at least a majority of the securities or other

interests having by their terms voting power to elect a majority of the board of directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly beneficially owned or controlled by such Person or by any one or more of its subsidiaries, or by such Person and one or more of its subsidiaries, or (ii) such Person directly or indirectly is, or beneficially owns or controls a general partner (in the case of a partnership) or a managing member (in the case of a limited liability company).

"Survey" has the meaning specified in Section 5.15(a)(ii).

"Survival Period" has the meaning set forth in Section 7.1.

"Tax" or "Taxes" means any taxes, assessments, charges, duties, fees, levies, imposts or other similar charges imposed by any Governmental Entity, including income, profits, gross receipts, net proceeds, alternative or add-on minimum, ad valorem, value added, goods and services, turnover, sales, use, property, personal property (tangible and intangible), environmental, stamp, leasing, lease, user, excise, duty, franchise, capital stock, transfer, registration, license, withholding, social security (or similar), unemployment, disability, payroll, employment, fuel, excess profits, occupational, premium, windfall profit, severance, estimated, deficiency, inventory or other charge of any kind whatsoever, including tax liabilities arising under Treasury Regulation Section 1.1502-6 and any similar provisions from federal, state, local or foreign applicable law, by contract, as successor, transferee or otherwise, and any interest, penalty, or addition with respect to any of the foregoing, whether disputed or not.

"Tax Basis Schedule" has the meaning specified in Section 5.16(e).

"Tax Return" means any return, declaration, report, election, designation, notice, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Third Party" means any Person other than the Parties or any of their respective Affiliates or any successors and assigns to the foregoing.

"Title Commitment" has the meaning specified in Section 5.15(a)(i).

"Title Company" means First American Title Insurance Company, writing through its national commercial services division in Chicago, Illinois or such other reputable title insurance company licensed to do business in which the Real Property is located and reasonably acceptable to NGL in its reasonable discretion.

"Title Policy" has the meaning specified in Section 5.15(a)(i).

"Transaction Expenses" means, with respect to any Party, the aggregate amount of all out-of-pocket fees and expenses, incurred by, or to be paid by, such Party and its Subsidiaries relating to the negotiation, preparation or execution of this Agreement or any documents or agreements contemplated hereby or the performance or consummation of the transactions contemplated hereby, which shall include (a) any fees and expenses associated with obtaining necessary or appropriate waivers, consents or approvals of any Governmental Entity on behalf of such Party or its Subsidiaries; (b) any fees or expenses associated with obtaining the release and

termination of any Encumbrance; (c) all brokers' or finders' fees; (d) fees and expenses of counsel, advisors, consultants, investment bankers, accountants, auditors and experts; and (e) all sale, change of control, "stay-around," retention, success or similar bonuses, severance or other payments to any Person in connection with or upon the consummation of the transactions contemplated hereby, in all cases, whether payable prior or on the Closing Date or thereafter (and the employer portion of any payroll Taxes associated with any of the foregoing payments).

"Transferred Employee" has the meaning set forth in Section 5.3(a).

"Transfer Taxes" means any sales, use, documentary, stamp, registration, recording, transfer, property, ad valorem or similar Taxes or fees imposed on the transfer of any Contributed Assets as contemplated by this Agreement.

"Transition Services Agreement" means that certain Transition Services Agreement in the form of Exhibit H hereto.

"Underwriting Agreement Representations" means, collectively, the representations and warranties set forth in Section 1, (8) (*Good Standing of Subsidiaries*), (9) (*Ownership of the General Partner*), (10) (*Ownership of the General Partner Interest in the Partnership*), (13) (*Ownership of Incentive Distribution Rights in the Partnership*), (14) (*Ownership of Silverthorne Operating*), (15) (*Ownership of NGL Supply, LLC*), (16) (*Ownership of Hicksgas LLC*), (17) (*Ownership of NGL Gateway Terminals, Inc*. (*Canad*a)), (18) (*Ownership of NGL Supply Retail, LLC*), (19) (*Ownership of NGL Supply Wholesale, LLC*), (20) (*Ownership of NGL Supply Terminal Company, LLC*), (21) (*No Other Subsidiaries*), (27) (*Absence of Labor Dispute*), (30) (*Possession of Intellectual Property*), (31) (*Material Contracts*), (33) (*Possession of Licenses and Permits*), (34) (*Title to Property*), (35) (*Rights of Way*), (37) (*Environmental Laws*), (38) (*Absence of Registration Rights*), (42) (*Tax Returns*), (43) (*Insurance*), (44) (*Accounting and Disclosure Controls*), (45) (*Compliance with the Sarbanes-Oxley Act*), (46) (*Absence of Manipulation*), (48) (*Foreign Corrupt Practices Act*), (49) (*Money Laundering Laws*), (50) (*OFAC*), (51) (*ERISA Compliance*), (53) (*Related Party Transactions*), and (57) (*No Restrictions on Dividends*) of the NGL Underwriting Agreement.

"Variable Units" means an aggregate number of NGL Common Units equal to (x) 203,906, in the event the Closing Date is October 1, 2011; (y) 182,031, in the event the Closing Date is November 1, 2011, (z) 160,156, in the event the Closing Date is December 1, 2011 and (xx) 138,281 in the event the Closing Date is on January 1, 2012.

"WARN" has the meaning set forth in Section 3.14(h).

"West Memphis Property" means that certain real property located in West Memphis, Arkansas to be acquired by SemStream pursuant to the West Memphis Purchase Agreement.

"West Memphis Purchase Agreement" means that certain Purchase and Sale Agreement dated as of August 24, 2011 between SemStream and William L. Johnson Co., Inc., an Arkansas corporation.

1.2 Rules of Construction.

(a) The division of this Agreement into articles, sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, all references to an "Article" or "Section" followed by a number or a letter refer to the specified Article or Section of this Agreement. Unless otherwise indicated, all references to an "Exhibit" followed by a letter refer to the specified Exhibit to this Agreement. The terms "this Agreement," "hereof," "herein" and "hereunder" and similar expressions refer to this Agreement (including the Disclosure Schedules and the Exhibits) and not to any particular Article, Section or other portion hereof.

(b) Each Disclosure Schedule will be deemed part of this Agreement and included in any reference to this Agreement. Each Disclosure Schedule sets forth items of disclosure with specific reference to the particular Section or subsection of this Agreement to which the information in such Disclosure Schedule relates; provided, however, that any fact or item that is disclosed in any section of such Disclosure Schedule that is reasonably apparent on its face to qualify another representation or warranty of the applicable Party shall be deemed to be disclosed in such other sections of such Disclosure Schedule, as applicable, notwithstanding the omission of any appropriate cross-reference thereto. Notwithstanding anything in this Agreement to the contrary, the inclusion of an item in any Disclosure Schedule as an exception to a representation or warranty will not be deemed an admission that such item represents a material exception or material fact, event or circumstance or that such item has had or would reasonably be expected to have a Material Adverse Effect.

(c) Unless otherwise specifically indicated or the context otherwise requires, (i) all references to "dollars" or "$" mean United States dollars, (ii) words importing the singular shall include the plural and vice versa, and words importing any gender shall include all genders, (iii) "include," "includes" and "including" shall be deemed to be followed by the words "without limitation," and (iv) all words used as accounting terms shall have the meanings assigned to them under United States generally accepted accounting principles as amended from time to time ("GAAP") applied on a consistent basis. If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day. Reference to any party hereto is also a reference to such party's permitted successors and assigns.

(d) The Parties have participated jointly in the negotiation and drafting of this Agreement. No provision of this Agreement will be interpreted in favor of, or against, any of the Parties by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement, and no rule of strict construction will be applied against any party hereto.

ARTICLE II
CONTRIBUTION

2.1 Consideration; Closing. Subject to the satisfaction or waiver of the conditions to closing set forth in Article VI, the closing (the "Closing") of the transactions contemplated by this Agreement shall be held at the offices of Winston & Strawn LLP, 35 W. Wacker Drive, Chicago, Illinois 60601 on the first Business Day of the first full calendar month immediately following the date on which the satisfaction or waiver of all of the conditions set forth in Article

VI (other than the conditions that would normally be satisfied on the Closing Date) has occurred. The Closing shall have been deemed to have occurred at 12:01 a.m., Chicago time, on the Closing Date, or such other place, date and time as may be mutually agreed upon in writing by SemStream and NGL. The "Closing Date," as referred to herein, shall mean the date of the Closing.

(a) Subject to the terms and conditions of this Agreement, SemStream shall contribute, sell, assign, convey, transfer and deliver to NGL Subsidiary, and NGL Subsidiary shall acquire and purchase from SemStream, the Contributed Assets, in each case free and clear of all Encumbrances of any kind, except for Permitted Encumbrances, in exchange for the following aggregate consideration (the "Aggregate Consideration") (as adjusted pursuant to Section 2.4), which shall be paid as follows at the Closing:

(i) *Estimated Working Capital Adjustment*. Subject to subsection (iii) below, three (3) Business Days prior to the Closing, SemStream shall deliver to NGL Subsidiary a good faith estimate of the Net Working Capital Closing Statement ("Estimated Net Working Capital") as of the Calculation Date. If the Estimated Net Working Capital is less than the Net Working Capital Threshold, then SemStream shall pay to NGL Subsidiary at Closing an amount in cash equal to such shortfall. If the Estimated Net Working Capital exceeds the Net Working Capital Threshold by $25,000,000 or less (such excess amount, the "Initial Excess Amount"), then NGL shall issue an aggregate number of NGL Common Units to SemStream equal to (A) such Initial Excess Amount divided by (B) $20.00 (the "Additional NGL Units"). In the event the Estimated Net Working Capital exceeds the Net Working Capital Threshold by more than $25,000,000, then NGL shall issue the Additional NGL Units to SemStream and NGL Subsidiary shall pay to SemStream at Closing an amount in cash equal to the amount by which Estimated Net Working Capital exceeds $25,000,000; provided, notwithstanding the foregoing, in the event the Estimated Net Working Capital is greater than $125,000,000, then, at the sole election of NGL, the parties shall work together in good faith to identify Inventory that SemStream will retain and not assign hereunder (and exclude from the calculation of Estimated Net Working Capital) so that the Estimated Net Working Capital is equal to or less than $125,000,000 (or such higher amount as consented to by NGL in its sole discretion). Any such excluded Inventory will constitute Retained Assets hereunder. Any such cash payment by NGL Subsidiary is made hereunder to reimburse SemStream for capital expenditures with respect to Inventory contributed by SemStream to NGL Subsidiary hereunder and shall be treated as such by the Parties for all financial and Tax reporting purposes (including without limitation for purposes of Treas. Reg. Section 1.707-4(d)).

(ii) *Issuance of NGL Units by NGL to SemStream*. NGL shall issue, convey, assign, transfer and deliver to SemStream, free and clear of any Encumbrances (other than restrictions under applicable securities Laws), (a) 7,500,000 NGL Common Units (as further described in the NGL LP Agreement) (the "Contribution NGL Units"), and (b) the Variable Units (the Contribution Units, the Variable Units and the Additional NGL Units (if any), collectively, the "NGL Units").

(iii) *Offset Amount*. At Closing, any cash amounts payable by NGL pursuant to subsection (i) above shall be reduced by an aggregate equal to the Retained Property Value (if any) (the "Offset Amount"). In the event the Offset Amount exceeds the aggregate cash amount to be paid by NGL pursuant to such subsection (i) above, then at the Closing, SEM shall pay such excess amount to NGL in cash (the "Offset Payment").

(iv) *Assumption of the Assumed Liabilities*. NGL Subsidiary shall assume the Assumed Liabilities pursuant to an assumption agreement in the form attached as Exhibit G hereto (the "Assumption Agreement").

(b) At Closing, in addition to any other documents to be delivered under other provisions of this Agreement, SemStream shall deliver (or cause to be delivered) the following (collectively, the "SEM Closing Deliverables"):

(i) the officer's certificates described in Section 6.3(a)(iii);

(ii) a certificate of each of SemStream in the form specified in Treasury Regulation Section 1.1445-2(b)(2)(iv) that SemStream is not a "foreign person" within the meaning of Section 1445 of the Code; and

(iii) the Registration Rights Agreement executed by SemStream;

(iv) the Transition Services Agreement;

(v) the Non-Competition Agreement executed by SemStream, the General Partner and the Limited Partner;

(vi) the executed Bill of Sale and Assignment Agreement;

(vii) a special warranty deed conveying to NGL Subsidiary or its nominee each parcel of the Owned Real Property, together with any appurtenances thereto, duly executed by SemStream and in form and substance reasonably satisfactory to NGL;

(viii) all real property transfer tax declarations and all affidavits and other documents reasonably required by the Title Company in connection with the issuance of the Title Policies;

(ix) pay-off letters and lien releases from holders of all Indebtedness of SemStream, in form and substance reasonably satisfactory to NGL and, in any event, authorizing the release of any Encumbrances (other than Permitted Encumbrances) upon payment of the applicable pay-off amount;

(x) the Parent Guaranty executed by the Limited Partner;

(xi) the Tax Basis Schedule;

(xii) the executed Amended Holdings LLC Agreement;

(xiii) the executed New SolArc Agreement; and

(xiv) an acknowledgment from the Limited Partner and General Partner pursuant to which such Persons covenant and agree to be bound by Section 5.26(b) and (c) hereof.

(c) At Closing, in addition to any other documents to be delivered under other provisions of this Agreement, the NGL Subsidiary shall deliver the following (or cause to be delivered) (collectively, the "NGL Closing Deliverables"):

(i) NGL shall deliver to SemStream certificates representing the NGL Units, accompanied by duly executed instruments of transfer;

(ii) the executed Amended Holdings LLC Agreement;

(iii) the officer's certificates described in Sections 6.2(a)(iii);

(iv) the Registration Rights Agreement executed by NGL;

(v) the Assumption Agreement executed by NGL;

(vi) the transfer waivers described in Section 5.27;

(vii) the executed New SolArc Agreement; and

(viii) evidence of termination of all letters of credit set forth on Section 5.20 of the SEM Disclosure Schedule (as updated pursuant to Section 5.25), in form and substance reasonably satisfactory to SemStream.

(d) At the Closing, in exchange for a cash payment of $22,500 from SemStream, Holdings shall issue, assign, transfer and deliver to SemStream, free and clear of any Encumbrances (other than restrictions under applicable securities Laws), an aggregate amount of membership interests of Holdings (as further described in the Amended Holdings LLC Agreement) (the "Holdings Interests"), representing 7.5% of the issued and outstanding membership interests in Holdings as of the Closing Date.

2.2 Assumed Liabilities. NGL Subsidiary shall, at the Closing, assume, agree to perform, and, when due, pay and discharge, all the Liabilities of SemStream to the extent attributable to the Business (including all Liabilities reflected on the Net Working Capital Closing Statement), other than the Excluded Liabilities (the "Assumed Liabilities").

2.3 Excluded Liabilities. Notwithstanding Section 2.2 above, NGL Subsidiary shall not assume or pay and SemStream shall continue to be responsible for the following Liabilities of SemStream whether or not relating to the Business (collectively, the "Excluded Liabilities"):

(i) Any Liability arising from any action, suit or proceeding related to products sold or delivered by SemStream prior to the Closing Date; notwithstanding the disclosure thereof in the Financial Statements or in the Disclosure Schedules hereto;

(ii) any Excluded Taxes;

(iii) any Liability of SemStream arising from the transactions contemplated by this Agreement;

(iv) any Liability of SemStream to the extent attributable to the Retained Assets including, without limitation, any Liability attributable to SemStream's ownership interest in SemStream Arizona; or

(v) any Liability of SemStream arising from any action, claim, suit or proceeding related to the Bankruptcy Plan or any subsequent action, claim, suit or proceeding arising out of or related to such pending matters;

(vi) any Liability of SemStream incurred in connection with or related to any current or former employee of SemStream or any Affiliate thereof (other than Liabilities to Transferred Employees arising in connection with their employment with NGL Subsidiary), including any severance obligations or obligations under any Employee Benefit Plan of SemStream, any Affiliate, or any ERISA Affiliate thereof;

(vii) current accrued liabilities of SemStream (excluding Retained Accrued Trade Payables) in excess of $3,000,000 in the aggregate, if any; or

(viii) the Retained Accrued Trade Payables.

2.4 Working Capital Adjustment.

(a) Following the Closing Date, NGL Subsidiary shall cause to be prepared a statement of the Net Working Capital of SemStream as of the Calculation Date (the "Net Working Capital Closing Statement"). The Net Working Capital Closing Statement shall contain line item detail comparable to the balance sheet included in the most recent Financial Statements with respect to the components of the Net Working Capital of SemStream as of the Calculation Date. No later than forty-five (45) days following the Closing, NGL Subsidiary shall deliver to SemStream the Net Working Capital Closing Statement, together with a worksheet showing the difference, if any, between the Net Working Capital reflected therein and the Net Working Capital Threshold. SemStream shall have a period of thirty (30) days following its receipt of the Net Working Capital Closing Statement and related worksheet to provide written notice of its objection to the Net Working Capital Closing Statement or the related worksheet (which notice shall state the basis for SemStream's objection). During the 30-day period following SemStream's receipt of the Net Working Capital Closing Statement, the NGL Subsidiary shall use its commercially reasonable efforts to provide the SemStream and its and its officers, directors, principals, employees, advisors, auditors, agents, bankers and other representatives (collectively, the "Representatives") with access to the non-privileged working papers relating to the Net Working Capital Closing Statement, and NGL Subsidiary shall cooperate with SemStream and its Representatives to provide them with any other information used in preparing

the Net Working Capital Closing Statement reasonably requested by SemStream and its Representatives. If, within such 30-day period, SemStream has not given NGL Subsidiary written notice of its objection to the Net Working Capital Closing Statement or the related worksheet, then the Net Working Capital reflected therein shall be binding and conclusive on the Parties and used in making the adjustment provided for in Section 2.4(b). If SemStream timely provides any such objection, SemStream and NGL Subsidiary shall work in good faith to resolve any differences with respect thereto. If, at the end of a 15-day period from the date of delivery of any objection by SemStream there are any matters that remain in dispute, then NGL and SemStream shall submit the remaining matters in dispute to the Referee within the following five (5) Business Days for resolution. The Referee shall make a determination with respect to the disputed matters submitted to it and determine the Net Working Capital of SemStream as of the Calculation Date within thirty (30) days after the objections that remain in dispute are submitted to it. In making such determination, the Referee shall consider only those items or amounts in NGL Subsidiary's calculation of Net Working Capital as to which SemStream has disagreed. If any objections are submitted to the Referee for resolution, (i) each Party shall furnish to the Referee such work papers and other documents and information relating to such objections as the Referee may request and are available to that Party (or its independent public accountants or other representatives) and will be afforded the opportunity to present to the Referee any material relating to the determination of the matters in dispute and to discuss such determination with the Referee and (ii) the determination by the Referee of the Net Working Capital of SemStream as of the Calculation Date, as set forth in a written notice delivered to each of SemStream and NGL Subsidiary by the Referee, shall be calculated in accordance with the past practices utilized in preparing the most recent Financial Statements, and shall be binding and conclusive on the Parties and, absent manifest error, shall constitute an arbitral award that is final, binding and non-appealable and upon which a judgment may be entered by a court having jurisdiction thereof. The fees and expenses of the Referee shall be allocated to and borne by NGL Subsidiary and SemStream based on the inverse of the percentage that the Referee's determination (before such allocation) bears to the total amount of the total items in dispute as originally submitted to the Referee. For example, should the items in dispute total in amount to $100,000 and the Referee awards $60,000 in favor of SemStream's position, 60% of the costs of its review would be borne by NGL Subsidiary and 40% of the costs would be borne by SemStream. The final Net Working Capital of SemStream as of the Calculation Date, as determined in accordance with this Section 2.4(a), is referred to as the "Final Net Working Capital."

(b) If the Final Net Working Capital is less than the Estimated Net Working Capital (as determined and adjusted pursuant to Section 2.1(a)), SemStream shall pay NGL Subsidiary a cash amount equal to the amount of such shortfall. If the Final Net Working Capital exceeds the Estimated Net Working Capital (as determined and adjusted pursuant to Section 2.1(a)), NGL shall pay SemStream the amount of such excess in cash.

2.5 Retained Assets. SemStream shall not contribute, sell, transfer, convey or deliver to NGL Subsidiary, and NGL Subsidiary shall not acquire or purchase from SemStream, the Retained Assets.

2.6 Consideration Allocation. Within sixty (60) days of the determination of the Final Net Working Capital, NGL Subsidiary shall provide to SemStream a proposed schedule allocating the Aggregate Consideration (as adjusted pursuant to Section 2.4(b) (and relevant

Assumed Liabilities) among the Contributed Assets and the non-compete obligation set forth in the Non-Competition Agreement (the "Consideration Allocation Schedule"). The Consideration Allocation Schedule will be prepared in accordance with the applicable provisions of the Code. NGL Subsidiary and SemStream shall make appropriate adjustments to the Consideration Allocation Schedule to reflect any adjustments to Aggregate Consideration or other relevant items. NGL Subsidiary and SemStream agree to use commercially reasonable efforts to agree on the Consideration Allocation Schedule and, if agreed, to report for all Tax reporting purposes the transactions in accordance with the mutually agreed Consideration Allocation Schedule, as appropriately adjusted. In the event NGL Subsidiary and SemStream cannot agree on the Consideration Allocation Schedule each Party may allocate the Aggregate Consideration for their respective separate Tax reporting purposes in their discretion.

2.7 Withholding. NGL Subsidiary shall be entitled to deduct and withhold from any amounts payable under this Agreement amounts that NGL Subsidiary is required to deduct and withhold under the Code or other provision of any Tax Law, provided, that at least ten (10) Business Days prior to Closing NGL Subsidiary will notify SemStream of any such withholding that NGL Subsidiary believes to be required and give SemStream an opportunity to demonstrate, if it desires, that a lesser amount of withholding is required. All amounts withheld shall be treated for all purposes of this Agreement as being timely paid.

2.8 NGL Unit Adjustment. The aggregate NGL Common Units issued pursuant to Section 2.1(a) shall be subject to equitable adjustment in the event of any unit split, unit dividend, reverse unit split or similar event affecting the NGL Common Units after the date hereof and prior to the Closing Date.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF SEMSTREAM

Except as disclosed in the SEM Disclosure Schedule or to the extent relating exclusively to the Retained Assets, SemStream represents and warrants to the NGL Group Entities as of the date hereof and as of the Closing Date that:

3.1 Organization; Qualification.

(a) SemStream has been duly formed and is validly existing and in good standing under the applicable Laws of its jurisdiction of formation with all requisite power and authority (corporate or otherwise) to own, lease or otherwise hold and operate the Contributed Assets and to carry on the Business as presently conducted. SemStream is duly qualified and in good standing as a foreign entity to do business in each jurisdiction in which the conduct or nature of its business or the ownership, leasing, holding or operating of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or in good standing would not have a SemStream Material Adverse Effect.

(b) SemStream does not have any Subsidiary other than SemStream Arizona. SemStream Arizona does not have any Subsidiary.

(c) SemStream has heretofore made available to NGL Subsidiary a complete and correct copy of the limited partnership agreement of SemStream.

3.2 Authority; No Violation; Consents and Approvals.

(a) SemStream has all requisite power and authority (corporate or otherwise) to enter into this Agreement and to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by SemStream of this Agreement and the consummation of the transactions contemplated hereby, have been duly authorized by all requisite action on the part of SemStream, and no other corporate, company, shareholder, partnership or similar proceeding on the part of SemStream or any Affiliate thereof is necessary to consummate the transactions contemplated by this Agreement.

(b) This Agreement has been duly executed and delivered by SemStream and, assuming the due authorization, execution and delivery hereof by the other Parties, constitutes a legal, valid and binding agreement of SemStream, enforceable against SemStream in accordance with its terms (except insofar as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law)).

(c) None of the execution and delivery by SemStream of this Agreement, or the consummation by SemStream of the transactions contemplated hereby, or the performance by SemStream under this Agreement will (i) violate, conflict with or result in a breach of any provision of the partnership agreement of SemStream; (ii) other than as set forth on Section 3.2(c) of the SEM Disclosure Schedule, require any consent, approval, authorization or permit of, registration, declaration or filing with, or notification to, any Governmental Entity (each, a "Governmental Authorization"), other than any Governmental Authorization that may be obtained after the Closing without material penalty; (iii) other than as set forth on Section 3.2(c) of the SEM Disclosure Schedule, require any consent or approval of any counterparty to, or violate or result in any breach of or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, or give to others any right of termination, cancellation, amendment or acceleration of any obligation or the loss of any benefit under, any Contract or Permit to which SemStream is a party or any Contributed Assets bound; (iv) result in the creation of an Encumbrance, other than a Permitted Encumbrance, upon or require the sale or give any Person the right to acquire any of the Contributed Assets or restrict, hinder, impair or limit the ability of SemStream to carry on the Business; or (v) violate or conflict with any Law applicable to SemStream.

3.3 Capitalization.

(a) All of the issued and outstanding limited partnership interests of SemStream are owned by the Limited Partner.

(b) SemStream does not have any outstanding loans or advances or capital contributions to, or investments in, any corporation, partnership or other Person. Section 3.3(b) of the SEM Disclosure Schedule sets forth any outstanding loans or advances between or among SEM Group Entities, excluding intercompany payables and receivables in the ordinary course of business.

3.4 Financial Statements. Set forth in Section 3.4 of the SEM Disclosure Schedule are the unaudited financial statements of SemStream as of and for the years ended December 31, 2008, 2009 and 2010 and the three-month period ending March 31, 2011 (collectively, the "Financial Statements"), including all related notes and schedules thereto. The Financial Statements fairly present in all material respects the financial position of SemStream, as of the respective dates thereof, and the results of operations, cash flows and changes in members' equity of SemStream for the periods indicated (in the case of interim financial statements, subject to normal year-end adjustments and the absence of financial footnotes), have been prepared in accordance with GAAP applied on a consistent basis throughout the periods involved (except, in the case of interim financial statements, for normal and recurring year-end adjustments).

3.5 Undisclosed Liabilities. SemStream does not have any Liability of the nature required to be disclosed in a balance sheet in accordance with GAAP that is not shown on or provided for in the Financial Statements, other than the Excluded Liabilities and Liabilities incurred or accrued in the ordinary course consistent with past practice since March 31, 2011 and reflected in the calculation of Net Working Capital pursuant to Section 2.4.

3.6 Compliance with Applicable Laws; Permits.

(a) SemStream is in compliance in all material respects with all applicable Laws. SemStream has not received any written communication from a Governmental Entity that alleges that SemStream is not in compliance in any material respect with any applicable Laws that has not been resolved to the satisfaction of such Governmental Entity.

(b) To Knowledge of SemStream, SemStream is in possession of all material franchises, authorizations, licenses, permits, exemptions, consents, certificates, approvals and orders (collectively, the "Permits") necessary to own, lease and operate its properties and to lawfully carry on the Business as it is now being conducted, as of the date hereof. Except as set forth on Section 3.6(b) of the SEM Disclosure Schedule, all Permits are in full force and effect, and SemStream has not received written notice that such Permits will not be renewed in the ordinary course after Closing. Except as set forth on Section 3.6(b) of the SEM Disclosure Schedule, SemStream is not in default or violation in any material respect with any of the Permits.

(c) Notwithstanding Section 3.6(a) and (b), the representations made in this Section 3.6 shall not apply to environmental matters (which are provided for in Section 3.9), Tax matters (which are provided for in Section 3.13) and employment and benefits matters (which are provided for in Section 3.14).

3.7 Certain Contracts and Arrangements.

(a) Section 3.7(a) of the SEM Disclosure Schedule sets forth a true and complete list, as of the date hereof, of the following Contracts (including currently effective amendments and modifications thereto), to which SemStream is a party, by which any of its properties are bound or that relate to the conduct of the Business (excluding such Contracts to which SemStream Arizona is a party or bound) (collectively, the "Material Agreements"):

(i) transportation agreements involving payments to or from SemStream (other than Short-Term Agreements);

(ii) propane sale and supply agreements involving payments to or from SemStream (other than Short-Term Agreements);

(iii) storage agreements involving payments to or from SemStream (other than Short-Term Agreements);

(iv) Contracts, or a group of related Contracts with the same party, for the purchase, sale or distribution of equipment, supplies, products or services, excluding Inventories, under which the undelivered balance of such equipment, supplies, products or services has a price in excess of $25,000 (other than Short-Term Agreements and propane sale and supply agreements that are not required to be listed pursuant to Section 3.7(a)(ii));

(v) Contracts, loan agreements, letters of credit, repurchase agreements, mortgages, security agreements, guarantees, pledge agreements, trust indentures, promissory notes, lines of credit and similar documents in each case relating to the borrowing of money or for lines of credit;

(vi) real property leases calling for payments by SemStream of amounts greater than $25,000 per year;

(vii) partnership or joint venture agreements;

(viii) Contracts limiting the ability of SemStream to compete in any line of business or with any Person or in any geographic area;

(ix) Contracts relating to any outstanding commitment for capital expenditures in excess of $250,000;

(x) (A) Collective Bargaining Agreements and other Contracts with any labor union or organization, (B) Employment Agreements between SemStream and any Related Employees or Independent Contractors which are not cancellable without material penalty or without more than ninety (90) days' notice and (C) the Employee Benefit Plans to which SemStream will be subject after the Closing;

(xi) material Contracts not entered into in the ordinary course of Business;

(xii) Contracts for the acquisition or disposition of real property capital stock or other businesses;

(xiii) Contracts providing for indemnification of any officer or director of SemStream;

(xiv) agency, distributor, dealer, sales, marketing or similar agreements or arrangements with any Person that generates or refers business to SemStream (other than propane sale and supply agreements that are not required to be listed pursuant to Section 3.7(a)(ii)); and

(xv) Contracts not otherwise disclosed in (i) — (xiv) above that are currently in effect and to which SemStream or its respective properties are bound that are material to the Business (excluding Short-Term Agreements that are not required to be disclosed pursuant to Section 3.7(a)(i), (a)(ii) or (a)(iii) above or Contracts below the thresholds set forth pursuant to Section 3.7(a)(iv), (a)(vi) or (a)(ix)).

(b) Section 3.7(b) of the SEM Disclosure Schedule contains, as of the date hereof, a complete and correct list of all Derivative Transactions (including each outstanding commodity hedging position) entered into by SemStream or for the account of any of its customers as of the Execution Date. All Derivative Transactions were, and any Derivative Transactions entered into after the Execution Date will be, entered into in accordance with applicable Laws, and in accordance with the investment, securities, commodities, risk management and other policies, practices and procedures employed by SemStream, and were, and for any Derivative Transactions entered into after the Execution Date will be, entered into with counterparties believed at the applicable time of execution of the applicable Derivative Transaction to be (i) financially responsible and (ii) able to understand (either alone or in consultation with their advisers) and bear the risks of such Derivative Transactions. SemStream has duly performed all of its obligations under the Derivative Transactions to the extent that such obligations to perform have accrued, and, to the Knowledge of SemStream, there are no breaches, violations, collateral deficiencies, requests for collateral or demands for payment, or defaults or allegations or assertions of such by any party thereunder.

(c) Except to the extent that enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and provided that any indemnity, contribution and exoneration provisions contained in any such Material Agreement may be limited by applicable Laws and public policy, each of the Material Agreements (i) constitutes the legal, valid and binding obligation of SemStream enforceable against SemStream in accordance with its terms, (ii) is in full force and effect as of the Execution Date and (iii) will be in full force and effect upon the consummation of the transactions contemplated by this Agreement.

(d) There is not under any Material Agreement any material default or, to SemStream's Knowledge, event, that, with notice or lapse of time or both, would reasonably be expected to constitute a material default on the part of any of the parties thereto, except such events of default and other events as to which requisite waivers or consents have been obtained.

(e) Except as set forth on Section 3.7(e) of the SEM Disclosure Schedule, SemStream has not (i) received written notice of any breach of or violation or default under any Material Agreement or of any condition which with the passage of time or the giving of notice or both would result in such a violation or default under any Material Agreement, or (ii) received

written notice of the desire of the other party or parties to any such Material Agreement to exercise any rights such party has to cancel, terminate, renegotiate or repudiate such contract or exercise remedies thereunder.

(f) True and complete copies of all Material Agreements have been delivered or made available to NGL Subsidiary by SemStream.

3.8 Legal Proceedings.

(a) There are no pending, or, to the Knowledge of SemStream, threatened, actions, lawsuits, claims or proceedings, whether at law or in equity or in any arbitration or similar proceeding against or affecting SemStream, any of the Contributed Assets or the Business. SemStream is not a party or subject to or in default under any judgment, order, injunction or decree of any Governmental Entity or arbitration tribunal relating to the Contributed Assets or the Business, and none of the Contributed Assets or the Business is subject to or in default under any such judgment, order, injunction or decree. There is no pending or, to the Knowledge of SemStream, threatened investigation of or affecting SemStream or with respect to the Contributed Assets or the Business by any Governmental Entity.

(b) There is no pending, or to the Knowledge of SemStream, threatened action, lawsuit, claim or proceeding, whether at law or in equity or in any arbitration or similar proceeding to which SemStream is a party or subject that could reasonably be expected to have a material adverse effect on SemStream's performance of its obligations under this Agreement or the consummation of the transactions contemplated hereby.

3.9 Environmental Matters.

(a) The operations of the Business and SemStream have been and, as of the Closing Date, will be, in compliance in all material respects with all Environmental Laws.

(b) To the Knowledge of the SemGroup Entities, there are no past or present facts, conditions or circumstances that interfere with the conduct of the Business in the manner now conducted or that interfere with continued compliance in all material respects with any Environmental Law.

(c) SemStream has obtained and maintained in full force and effect all material Permits required by Environmental Laws ("Environmental Permits"), and has timely made all filings, permit renewal applications, reports and notices required under applicable Environmental Law in connection with the operations of the Business.

(d) SemStream is not the subject of any outstanding written agreements (including consent orders and settlement agreements) with any Governmental Entity or other Person imposing liability or obligations with respect to any environmental matter (excluding liability or obligations pursuant to unasserted claims under indemnification or similar provisions in agreements involving only non-Governmental Entities).

(e) SemStream has not received any written communication from any Governmental Entity or other Person (i) alleging, with respect to any such party, the violation of

or liability under any Environmental Law related to the Business or by SemStream, which allegations have not been resolved, or (ii) requesting, with respect to related to the Business or SemStream, information with respect to an investigation pursuant to any Environmental Law, which request has not been satisfied.

(f) There has been no Release of any Hazardous Material from or in connection with the Owned Real Property, the Leased Real Property or any properties formerly owned or leased by SemStream or related to the Business that has not been adequately reserved for in the Financial Statements and that has resulted or would reasonably be expected to result in material liability under Environmental Laws or a claim for damages or compensation by any Person.

(g) To the Knowledge of the SEM Group Entities, there are no underground storage tanks (as defined by applicable underground storage tank regulations) or related pipes, pumps or other similar related equipment regardless of their use or purpose whether active or abandoned at the Owned Real Property or the Leased Real Property.

(h) The SEM Group Entities have provided true and complete copies of all Phase I environmental site assessment reports, Phase II reports, environmental or health and safety compliance reports, agreements, consent orders, consent decrees, pleadings, violation notices or other notices of liability related, in each case, to Environmental Laws or Hazardous Materials, in the SEM Group Entities' or any SemStream's control or possession.

3.10 Properties.

(a) Section 3.10(a) of the SEM Disclosure Schedule sets forth a true and complete list, as of the date hereof, (i) of all real property owned by SemStream (such real property together with all buildings, structures, installations, fixtures, improvements, betterments and additions situated thereon, all privileges and appurtenances thereto and any easements and rights of way benefitting such real property, the "Owned Real Property") and (ii) all material tangible personal property (including vehicles and propane tanks but excluding propane and other natural gas liquids) which are Contributed Assets. SemStream has good title to all tangible personal property owned by SemStream, free and clear of all Encumbrances except Permitted Encumbrances.

(b) Section 3.10(b) of the SEM Disclosure Schedule sets forth a true and complete list, as of the date hereof, of each real property that is a Contributed Asset that is leased, subleased, licensed, or otherwise used by SemStream in the Business, as lessee, sublessee or licensee, as the case may be (such leasehold interests, as demised by the applicable leases, subleases and licenses, collectively, the "Leased Real Property"), including all options that give the tenant the right, or require the tenant (upon any circumstances), to purchase any Leased Real Property. Except as forth on Section 3.10(b) of the SEM Disclosure Schedule, the Leased Real Property, is held under valid and subsisting and enforceable Real Property Leases, free and clear of all Encumbrances, except for Permitted Encumbrances.

(c) Section 3.10(c) of the SEM Disclosure Schedule sets forth a true and complete list, as of the date hereof, of all leases and extensions, modifications, supplements and amendments thereto, granting to SemStream possession of or rights to personal property that is a Contributed Asset, other than such leases involving annual payment of less than $25,000.

(d) Except as set forth on Section 3.10(d) of the SEM Disclosure Schedule, SemStream has not assigned any interest in, or subleased any parcel of Leased Real Property or its right under any Real Property Lease, and to the Knowledge of SemStream there are no uncured, material breaches or defaults by the landlords under such Real Property Leases.

(e) SemStream has such consents, easements, rights-of-way or licenses from each Person (each, a "Right of Way" and, collectively, "Rights-of-Way") as are sufficient to conduct the business of the Pipeline Assets, subject to the limitations contained in Section 3.10(e) of the SEM Disclosure Schedule. SemStream has fulfilled and performed all of its material obligations with respect to such Rights-of-Way and no event has occurred or is anticipated to occur that allows, or after notice or lapse of time would allow, revocation or termination thereof or would result in a default thereunder or any impairment of the rights of the holder of any such Rights-of-Way. No Right-of-Way contains any restriction that is materially burdensome to SemStream. The Parties agree that no other representations are made by SemStream with respect to the Pipeline Assets other than those representations set forth in this Section 3.10(e).

3.11 Condition and Sufficiency of Contributed Assets. The Equipment and Improvements of SemStream are in good operating condition and repair and adequate for the uses to which they are being put, except (i) for ordinary, routine maintenance and repairs and (ii) such other defects that do not materially impair the use of such assets in the ordinary course of business. Except as provided in the Transition Services Agreement or otherwise set forth on Section 3.11 of the SEM Disclosure Schedule, the Contributed Assets are sufficient for the operation of the Business as conducted prior to the Execution Date.

3.12 **[Intentionally Omitted]**

3.13 Tax Matters.

(a) SemStream has complied in all material respects with all Tax Laws. All material Tax Returns required by applicable Law to be filed by or with respect to SemStream have been timely filed and all such Tax Returns were true, correct and complete in all material respects at the time of filing.

(b) Except for Taxes being contested in good faith in appropriate proceedings for which adequate reserves have been provided for on the books and records, all Taxes relating to periods ending on or before the Closing Date owed by or with respect to SemStream (regardless of whether shown on any Tax Return) have been timely paid.

(c) There is no action, suit, proceeding, investigation, audit or claim now pending against, or with respect to, SemStream in respect of any Tax or Tax assessment, nor has any claim for additional Tax or Tax assessment been asserted in writing or been proposed by any Tax authority.

(d) No written claim has been made by any Tax authority in a jurisdiction where SemStream does not currently file a Tax Return that SemStream is or may be subject to any Tax in such jurisdiction, nor has any such assertion been threatened or proposed in writing.

(e) Except as set forth on Section 3.13(e) of the SEM Disclosure Schedule, SemStream does not have any outstanding requests for any extension of time within which to pay any Taxes or file any Tax Returns with respect to any Taxes.

(f) There has been no waiver or extension of any applicable statute of limitations for the assessment or collection of any Taxes of SemStream.

(g) SemStream has not entered into any agreement or arrangement with any Tax authority that requires SemStream to take any action or refrain from taking any action.

(h) SemStream is not a party to any agreement (other than a Tax Return filed with a Tax authority), whether written or unwritten, providing for the payment of Taxes, Tax Losses, entitlements to Tax refunds or similar Tax matters.

(i) SemStream has withheld all Taxes required to be withheld in connection with any amounts paid or owing to any employee, creditor, independent contractor or other Third Party and all required sales and use Taxes. SemStream has timely remitted such withheld Taxes to the appropriate Governmental Entity.

(j) No SEM Group Entity is a "foreign person" within the meaning of Section 1445 of the Code.

(k) SemStream has not been a member of an affiliated group filing a consolidated federal income Tax Return or has any liability for the Taxes of any Person under Treasury Regulation Section 1.1502-6 (or any similar provision of federal, state, local, or foreign Law), as a transferee or successor, by contract, or otherwise.

(l) There are no Tax liens on any of the assets of SemStream, except for statutory liens for Taxes not yet due and payable.

(m) SemStream is treated as an entity that is disregarded as separate from its owner for federal income Tax purposes and no election is pending to treat SemStream as a corporation.

(n) The information provided in the Tax Basis Schedule is complete and accurate in all material respects.

3.14 Employment and Benefits Matters.

(a) SemStream has made available to NGL Subsidiary a complete and accurate list of all the Related Employees and all the Independent Contractors, specifying whether they are Related Employees or Independent Contractors thereof, their position, the entity by which they are employed or to which they provide services, annual salary, hourly wages or consulting or other independent contractor fees, as applicable, and bonus opportunities, date of

hire (or entry into an independent contractor agreement), work location, length of service, together with a notation next to the name of any Person on such lists who is subject to any Employment Agreement or Collective Bargaining Agreement with SemStream.

(b) NGL and NGL Subsidiary will not have any Liability with respect to any Employee Benefit Plan of SemManagement or SemStream or any Affiliate or ERISA Affiliate thereof (each, a "SemManagement Plan"). With respect to each SemManagement Plan that is intended to be qualified within the meaning of Section 401(a) of the Code, SemStream has delivered to NGL Subsidiary the most recent favorable determination or opinion letter issued by the Internal Revenue Service.

(c) Section 3.14(c) of the SEM Disclosure Schedule sets forth a true and complete list of all Employment Agreements between SemStream and any Related Employee or Independent Contractor.

(d) (d) Except as set forth on Section 3.14(d) of the SEM Disclosure Schedule, neither SemStream nor any Affiliate or ERISA Affiliate of SemStream maintains or has maintained in the past six (6) years or has or has had in the past six (6) years an obligation to contribute to, or has any Liability to, based upon or arising out of, an Employee Benefit Plan that is (1) subject to Title IV of ERISA or the minimum funding requirements of Section 412 of the Code or Section 302 of ERISA, (2) a multiple employer plan described in Section 4063 of ERISA or Section 413(c) of the Code, (3) a multiemployer plan (as defined in Section 3(37) of ERISA), (4) a multiple employer welfare arrangement (as defined in Section 3(40) of ERISA), or (5) for the purpose of providing post termination of employment health or life insurance benefits or coverage, except as required under COBRA or similar state law.

(e) To the Knowledge of SemStream, all Related Employees are lawfully authorized to work in the United States according to federal immigration Laws.

(f) With respect to certain labor matters: (i) SemStream is not a party to, bound by, or in negotiations with respect to, any Collective Bargaining Agreement or other Contracts with any labor union or organization; (ii) SemStream has not agreed to recognize any union or other collective bargaining representative; (iii) no union or other collective bargaining representative has been certified as the exclusive bargaining representative of any of the Related Employees; and (iv) to the Knowledge of SemStream, no union or other collective bargaining representative claims to be the exclusive bargaining representative of any of the Related Employees. With respect to the Business and the Related Employees: (i) there are no current or, to the Knowledge of SemStream, threatened organizational campaigns, petitions or other unionization activities and there have been no such any such activities within the past three (3) years that remain unresolved; (ii) there is no current, pending, or, to the Knowledge of SemStream, threatened strikes, disputes, slowdowns, work stoppages or other labor controversies and there have been no such activities within the past three (3) years that remain unresolved; and (iii) there are no unfair labor practice complaints or any union representation questions or certification petitions pending before the National Labor Relations Board and there have been no such complaints, questions or petitions within the last three (3) years that remain unresolved.

(g) There are no pending or, to the Knowledge of SemStream, threatened actions, lawsuits, claims or legal or arbitral proceedings of any kind in any forum (other than routine claims for benefits under a SemManagement Plan) against, or with respect to, any of the SemManagement Plans or their assets or any Employment Agreement between SemStream and any of the Related Employees or the Independent Contractors, nor is any such SemManagement Plan or any Employment Agreement under investigation or audit by any Governmental Entity, and there have not been any such proceedings in the last three (3) years that remain unresolved, and to the Knowledge of SemStream, no basis therefor exists.

(h) There are no pending or, to the Knowledge of SemStream, threatened material actions, lawsuits, claims, petitions, charges, investigations, complaints, proceedings, demands, or other legal or arbitral proceedings (other than routine qualification determination filings) of any kind in any forum by or on behalf of any current or former Related Employee, applicant, person claiming to be an employee, or any classes of the foregoing, alleging or concerning a violation of, or compliance with, any Law relating to employment and employment practices, terms and conditions of employment, labor relations, wages, hours of work and overtime, worker classification, employment-related immigration and authorization to work in the United States, occupational safety and health, and privacy of health information, and there have been no such proceedings within the past three (3) years that remain unresolved, and to the Knowledge of SemStream, no basis therefor exists. There are no pending or, to the Knowledge of SemStream, threatened material actions, lawsuits, claims, petitions, charges, investigations, complaints, proceedings, demands, actions or other legal or arbitral proceeding (other than routine qualification determination filings) of any kind in any forum in which any current or former director, officer, employee or agent of SemStream is or may be entitled to indemnification. To the Knowledge of SemStream, SemStream has not, and is not required by Law to have, an affirmative action plan, and to the extent that SemStream is obligated to develop and maintain an affirmative action plan, no claim, show cause notice, conciliation proceeding, sanction or debarment proceeding is pending with the Office of Federal Contract Compliance Programs or other Governmental Entity and no desk audit or onsite review is in progress with respect to any Related Employee. SemStream has not had a “mass layoff” or “plant closing” within the meaning of the Workers Adjustment and Retraining Notification Act (“WARN”) or any comparable state Law within the last four (4) years for which there is any outstanding liability.

(i) SemStream has timely paid or made provision for payment of all accrued salaries, wages, commissions, bonuses, severance pay, vacation, sick, and other paid leave with respect to current or former Related Employees or on account of employment. SemStream is not a party to, or otherwise bound by, any order, judgment, decree or settlement with respect to any current or former Related Employee, the terms and conditions of employment, or the working conditions of any Related Employee.

(j) No act, omission or transaction has occurred and no condition exists with respect to any SemManagement Plan that has, will, or could reasonably be expected to result in any Liability for which NGL Subsidiary could be responsible.

3.15 No Changes or Material Adverse Effects.

(a) Since January 1, 2011, the Business has been conducted in the ordinary course consistent with past practice, and since March 31, 2011, SemStream has not taken any of the actions prohibited by Section 5.1(b).

(b) Since January 1, 2011, there has not been any change, event or occurrence, that has had or would reasonably be expected to have a SemStream Material Adverse Effect.

3.16 Regulation. SemStream is not, nor will it on the Closing Date immediately following the consummation of the transactions contemplated by this Agreement, an "investment company" or a company "controlled by" an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

3.17 Energy Regulatory Matters.

(a) No approval by FERC under the Interstate Commerce Act is required in connection with the execution and delivery of this Agreement by SemStream or the consummation of the transactions contemplated hereby.

(b) Except for general industry proceedings, including audits or reviews of individual companies arising from general industry proceedings, there are no pending or, to the Knowledge of SemStream, threatened FERC administrative or regulatory proceedings to which SemStream is a party.

(c) No approval by any State Regulatory Authority is required in connection with the execution and delivery of this Agreement by SemStream or the consummation of the transactions contemplated herein.

3.18 Intellectual Property. SemStream owns or possesses adequate licenses or other valid rights to use all Intellectual Property used or held for use in connection with the Business as currently being conducted, and, to the Knowledge of SemStream, there are no assertions or claims challenging the validity of any Intellectual Property that is owned by SemStream. The conduct of the Business as currently conducted does not conflict in any respect with the material Intellectual Property rights of any Person, and SemStream has not received any written notice or assertion of any such conflict. To the Knowledge of SemStream, no Person is infringing any material Intellectual Property owned by or licensed by SemStream.

3.19 Customers and Suppliers. Section 3.19 of the SEM Disclosure Schedule contains a true and complete list of (x) the ten (10) largest customers of SemStream based on recognized revenues and (y) the ten (10) largest suppliers of goods or services to SemStream based on payments made thereto by SemStream, in each case since November 30, 2009. No such customer has terminated or amended, nor has given written notice to SemStream (nor has SemStream any Knowledge of) that it intends to terminate or amend in any material respect, the terms or amount of services purchased from (or payments made to) SemStream during the current fiscal year or following the consummation of the Closing. SemStream has not received any written notice from any such supplier that such supplier intends to terminate its business relationship with SemStream, nor does SemStream have any Knowledge of any such intention that any such supplier intends to terminate its relationship with SemStream.

3.20 Bank Accounts. Section 3.20 of the SEM Disclosure Schedule sets forth a true and complete list and description of each bank account used by SemStream in connection with the operation of the Business and the name of each Person authorized to make withdrawals or other transfers from each such account.

3.21 Brokers' Fees. No SEM Group Entity or any of their respective officers, directors, managers, members or partners has employed any broker, finder or other Person or incurred any liability on behalf of any SEM Group Entity or any NGL Group Entity for any advisory, brokerage, finder, success, deal completion or similar fees or commissions in connection with the transactions contemplated by this Agreement, other than LCT Capital LLC whose fees shall be paid by the Limited Partner.

3.22 Certain Business Relationships between SemStream and its respective Affiliates.

(a) No officer or partner of SemStream, or any member of his immediate family, owns, directly or indirectly, or has an ownership interest, either of record, beneficially or equitably, in any business, corporate or otherwise, that is a party to, or in any property that is the subject of, any business arrangements or relationships of any kind that is material to the conduct of the Business.

(b) Section 3.22(b) of the SEM Disclosure Schedule sets forth a true and complete list of all Contracts between any officer or partner of SemStream, on the one hand, and SemStream, on the other hand.

3.23 Investment Intent; Accredited Investor.

(a) SemStream is acquiring the NGL Units for investment for its own account and not with a view to, or for sale in connection with, any distribution thereof. SemStream (either alone or together with its advisors) is (i) a sophisticated investor with sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the NGL Units, (ii) has been provided with or has had the opportunity to obtain information as desired to evaluate the merits and risks of its investment in the NGL Units and (iii) is capable of bearing the economic risks of such investment. SemStream is aware that, when issued at Closing, the NGL Units (i) will not be registered under the Securities Act or under any state or foreign securities Laws and (ii) will constitute "restricted securities" under federal securities laws and that under such laws and applicable regulations, none of such NGL Units can be sold or otherwise disposed of without registration under the Securities Act or an exemption therefrom.

(b) SemStream is an "accredited investor" (as such term is used in Rule 501 under the Securities Act, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act).

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF NGL

Except as disclosed in the NGL Disclosure Schedule, NGL represents and warrants to SemStream as of the date hereof and as of the Closing Date:

4.1 Organization; Qualification.

(a) Each NGL Group Entity has been duly formed and is validly existing and in good standing under the applicable Law of each entity's jurisdiction of formation with all requisite power and authority (corporate or otherwise) to own, lease or otherwise hold and operate its properties and assets and to carry on its business as presently conducted. Each NGL Group Entity is duly qualified and in good standing as a foreign entity to do business in each jurisdiction in which the conduct or nature of its business or the ownership, leasing, holding or operating of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or in good standing would not have a NGL Material Adverse Effect.

(b) Each NGL Group Entity has heretofore made available to SemStream a complete and correct copy of its partnership agreement, limited liability company agreement, certificate of incorporation and by-laws, as applicable.

4.2 Authority; No Violation; Consents and Approvals.

(a) Each NGL Group Entity has all requisite power and authority (corporate or otherwise) to enter into this Agreement and to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by each NGL Group Entity of this Agreement and the consummation of the transactions contemplated hereby, have been duly authorized by all requisite action on the part of such NGL Group Entity, and no other corporate, company, partnership or similar proceeding on the part of such NGL Group Entity or any Affiliate thereof is necessary to consummate the transactions contemplated by this Agreement.

(b) This Agreement has been duly executed and delivered by each NGL Group Entity and, assuming the due authorization, execution and delivery hereof by the other Parties, constitutes a legal, valid and binding agreement of such NGL Group Entity, enforceable against such NGL Group Entity in accordance with its terms (except insofar as such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law)).

(c) None of the execution and delivery by each NGL Group Entity of this Agreement, or the consummation by each NGL Group Entity of the transactions contemplated hereby, or the performance by each NGL Group Entity under this Agreement will (a) violate, conflict with or result in a breach of any provision of the partnership agreement, limited liability company agreement, certificate of incorporation and by-laws, as applicable; (b) other than as set forth on Section 4.2(c) of the NGL Disclosure Schedule, require any Governmental Authorization, other than any Governmental Authorization that may be obtained after the Closing without material penalty; (c) other than as set forth on Section 4.2(c) of the NGL Disclosure Schedule, require any consent or approval of any counterparty to, or violate or result in any breach of or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, or give to others any right of termination, cancellation, amendment or acceleration of any obligation or the loss of any benefit under, any Permit or

Contract to which any of the NGL Group Entities are a party to; (d) result in the creation of an Encumbrance (other than a Permitted Encumbrance) upon or require the sale or give any Person the right to acquire any of the assets of such NGL Group Entity, or restrict, hinder, impair or limit the ability of such NGL Group Entity to carry on its businesses as and where it is being carried on prior to the execution of this Agreement; or (e) violate or conflict with any Law applicable to such NGL Group Entity.

4.3 Capitalization.

(a) All of the issued and outstanding general partnership interests of NGL are owned by Holdings. The authorized issued and outstanding limited partnership interests and general partnership interests of NGL as of the date hereof is 8,864,222 common units, 5,919,346 Subordinated Units (as defined in the NGL Underwriting Agreement), the Incentive Distribution Rights (as defined in the NGL Underwriting Agreement) and a 0.1% general partner interest.

(b) (i) There are no outstanding options, warrants, subscriptions, puts, calls or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating NGL to offer, issue, sell, redeem, repurchase, otherwise acquire or transfer, pledge or encumber any equity interest in NGL; (ii) there are no outstanding securities or obligations of any kind of NGL that are convertible into or exercisable or exchangeable for any equity interest in NGL, and NGL does not have any obligation of any kind to issue any additional securities or to pay for or repurchase any securities; (iii) there are not outstanding any equity appreciation rights, phantom equity, profit sharing or similar rights, agreements, arrangements or commitments based on the value of the equity, book value, income or any other attribute of NGL; (iv) there are no outstanding bonds, debentures or other evidence of indebtedness of NGL having the right to vote (or that are exchangeable for or convertible or exercisable into securities having the right to vote) with the holders of equity interests in NGL on any matter; and (v) except as set forth in the limited partnership agreement for NGL, there are no unitholder agreements, proxies, voting trusts, rights to require registration under securities Laws or other arrangements or commitments to which NGL is a party or by which any of its securities are bound with respect to the voting, disposition or registration of any outstanding securities of NGL.

(c) All of the issued and outstanding membership interests of Holdings are owned by the Persons set forth on Section 4.3(c) of the NGL Disclosure Schedule.

(d) (i) There are no outstanding options, warrants, subscriptions, puts, calls or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating Holdings to offer, issue, sell, redeem, repurchase, otherwise acquire or transfer, pledge or encumber any equity interest in Holdings; (ii) there are no outstanding securities or obligations of any kind of Holdings that are convertible into or exercisable or exchangeable for any equity interest in Holdings, and Holdings does not have any obligation of any kind to issue any additional securities or to pay for or repurchase any securities; (iii) there are not outstanding any equity appreciation rights, phantom equity, profit sharing or similar rights, agreements, arrangements or commitments based on the value of the equity, book value, income or any other attribute of Holdings; (iv) there are no outstanding bonds, debentures or other evidence of indebtedness of Holdings having the right to vote (or that are exchangeable for

or convertible or exercisable into securities having the right to vote) with the holders of equity interests in Holdings on any matter; and (v) except as set forth in the limited partnership agreement for Holdings, there are no unitholder agreements, proxies, voting trusts, rights to require registration under securities Laws or other arrangements or commitments to which Holdings is a party or by which any of its securities are bound with respect to the voting, disposition or registration of any outstanding securities of Holdings.

(e) All of the issued and outstanding membership interests of NGL Subsidiary are owned, directly or indirectly, by NGL.

4.4 Sufficiency of Funds. The NGL Group Entities, collectively, have as of the Execution Date, and will have immediately prior to the Closing, sufficient funds and other consideration in the form of cash, cash equivalents or equity interests pay the Aggregate Consideration and to consummate the transactions contemplated under this Agreement.

4.5 Brokers' Fees. None of the NGL Group Entities or any of their respective officers, directors, managers, members or partners has employed any broker, finder or other Person or incurred any liability on behalf of any SEM Group Entity or any NGL Group Entity for any advisory, brokerage, finder, success, deal completion or similar fees or commissions in connection with the transactions contemplated by this Agreement.

4.6 SEC Reports; NGL Financial Statements.

(a) From May 12, 2011 through the Execution Date, NGL has filed all forms, reports and documents with the SEC required to be filed by it pursuant to the federal securities laws and the SEC rules and regulations thereunder, all of which complied in all material respects with all applicable requirements of the Securities Act and the Exchange Act and the rules and regulations promulgated thereunder (collectively, the "NGL SEC Reports"). None of the NGL SEC Reports, including, without limitation, any financial statements or schedules included therein, at the time filed (or if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing) contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(b) The consolidated balance sheets and the related consolidated statements of income, stockholders' equity (deficit) and cash flows (including the related notes thereto) of NGL included in the NGL SEC Reports (collectively, "NGL Financial Statements") comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto, have been prepared in accordance with GAAP applied on a basis consistent throughout the periods involved (except as otherwise noted therein or, in the case of unaudited interim financial statements, as may be permitted by the SEC on Form 10-Q under the Exchange Act), and present fairly in all material respects the consolidated financial position of NGL and its consolidated Subsidiaries as of their respective dates, and the consolidated results of their operations and their cash flows for the periods presented therein (subject, in the case of the unaudited interim financial statements, to normal and recurring year-end adjustments).

4.7 Undisclosed Liabilities. NGL does not have any Liability of the nature required to be disclosed in a balance sheet in accordance with GAAP that is not shown on or provided for in the NGL Financial Statements, other than Liabilities incurred or accrued in the ordinary course consistent with past practice since March 31, 2011 or incurred in connection with transactions disclosed in the Information Statement or the NGL SEC Reports.

4.8 Legal Proceedings. (a) There are no pending, or, to the Knowledge of NGL, threatened, actions, lawsuits, claims or proceedings, whether at law or in equity or in any arbitration or similar proceeding against or affecting NGL or any of its properties, assets, operations or business. NGL is not a party to or subject to or in default under any judgment, order, injunction or decree of any Governmental Entity or arbitration tribunal relating to its properties or operations of its business, and none of the properties or operations of its business is subject to or in default under any such judgment, order, injunction or decree. There is no pending or, to the Knowledge of NGL, threatened investigation of or affecting NGL or with respect to any of its properties, assets or operations or its business by any Governmental Entity.

(b) There is no pending, or to the Knowledge of NGL, threatened action, lawsuit, claim or proceeding, whether at law or in equity or in any arbitration or similar proceeding to which any NGL Group Entity is a party or subject that could reasonably be expected to have a material adverse effect on such NGL Group Entity's performance of its obligations under this Agreement or the consummation of the transactions contemplated hereby.

4.9 Absence of Certain Events.

(a) Other than as disclosed in the NGL SEC Reports or the Information Statement, since May 12, 2011, NGL's business has been conducted in the ordinary course consistent with past practice, and since May 12, 2011, NGL has not taken any of the actions prohibited by Section 5.23.

(b) Since January 1, 2011, there has not been any change, event or occurrence that has had or would reasonably be expected to have a NGL Material Adverse Effect.

4.10 Underwriting Agreement Representations. Other than as set forth on Section 4.10 of the NGL Disclosure, the NGL Underwriting Agreement Representations are true and correct in all respects as of the date hereof and as of the Closing Date.

4.11 Valid Issuance of Holdings Interests. The Holdings Interests will be duly authorized in accordance with the Holdings LLC Agreement and, when issued and delivered to SemStream in accordance with this Agreement, will be validly issued, fully paid (to the extent required under the Holdings LLC Agreement) and non-assessable.

4.12 Authorization of NGL Units. The NGL Units to be issued by NGL under this Agreement have been duly authorized for issuance and sale to SemStream pursuant to this Agreement and, when issued and delivered by NGL pursuant to this Agreement against transfer of assets as set forth herein, will be validly issued, fully paid and nonassessable (except as such non-assessability may be affected by Sections 17-303(a), 17-607 or 17-804 of the Delaware LP Act); no holder of the NGL Units is or will be subject to personal liability solely by reason of being such a holder; and the issuance and sale of the NGL Units to be sold by NGL under this Agreement are not subject to any preemptive rights, rights of first refusal or other similar rights of any securityholder of NGL or any other person.

4.13 Description of Securities. The NGL Units and the NGL LP Agreement conform in all material respects to all of the respective statements relating thereto contained in the Registration Statement and such statements conform to the rights set forth in the respective instruments and agreements defining the same.

4.14 Absence of Defaults and Conflicts. None of the NGL Group Entities is in default in the performance or observance of any obligation, agreement, covenant or condition contained in any Partnership Document, except (solely in the case of Partnership Documents other than Subject Instruments) for such defaults that would not, individually or in the aggregate, result in a Material Adverse Effect.

4.15 Tax Status. For federal income tax purposes, NGL is treated as a partnership and NGL Subsidiary is treated as an entity that is disregarded as separate from its owner, and such owner for federal income tax purposes is NGL.

ARTICLE V
ADDITIONAL AGREEMENTS, COVENANTS, RIGHTS AND OBLIGATIONS

5.1 Conduct of Business. Except (i) as otherwise permitted by this Agreement, (ii) as otherwise required by Law or (iii) as set forth in Section 5.1(a) of the SEM Disclosure Schedule, without the prior written consent of NGL (which consent will not be unreasonably withheld, delayed or conditioned), SemStream agrees that from the Execution Date through the Closing Date:

(a) SemStream shall except as otherwise permitted under this Section 5.1, (i) conduct the Business in the ordinary course consistent with past practices and (ii) use commercially reasonable efforts to preserve intact the present business organizations and material rights and franchises of the Business, to keep available the services of the Related Employees and Independent Contractors, and the current officers and employees of SemStream, and to preserve the relationships of SemStream with customers, suppliers and others having business dealings with the Business.

(b) Without limiting the generality of Section 5.1(a), except (i) as set forth in Section 5.1(b) of the SEM Disclosure Schedule, (ii) for the purchase of the West Memphis Property by SemStream or (iii) as otherwise permitted pursuant to this Agreement, SemStream will not:

(i) merge into or with any other Person (other than (A) mergers among wholly owned subsidiaries of the same Person or (B) as permitted by clause (ii));

(ii) acquire, through merger, consolidation or otherwise, all or substantially all of the business or assets of any Person, or acquire any interest in or contribute any assets to any partnership or joint venture or enter into any similar arrangement;

(iii) (A) except as permitted by exclusions under other clauses of this Section 5.1(b), other than in the ordinary course of business consistent with past practices, enter into any Material Agreement or terminate or amend any Material Agreement to which it is a party or waive any material rights under any Material Agreement to which it is a party, or (B) enter into any Contract that would be covered by Section 3.22, or terminate or waive any material existing right or claim by SemStream under any Contract disclosed on Section 3.22(c) of the SEM Disclosure Schedule;

(iv) purchase any securities of or make any investment in any Person (other than (A) ordinary-course overnight investments consistent with cash management practices of such Party and (B) investments in wholly owned Subsidiaries);

(v) incur, assume or guarantee any indebtedness for borrowed money, issue, assume or guarantee any debt securities, grant any option, warrant or right to purchase any debt securities, or issue any securities convertible into or exchangeable for any debt securities, except working capital borrowings and issuances of letters of credit in the ordinary course of business consistent with past practices;

(vi) sell, assign, transfer, abandon, lease or otherwise dispose of assets, except for (A) sales of propane and other natural gas liquids consistent with past practices, (B) dispositions of inventory or worn-out or obsolete equipment for fair value in the ordinary course of business consistent with past practices and (C) sale of SemStream Arizona or any other Retained Assets

(vii) except as contemplated or provided for by the Bankruptcy Plan (A) settle any claims, demands, lawsuits or state or federal regulatory proceedings for damages to the extent such settlements are in the aggregate in excess of $100,000 (other than any claims, demands, lawsuits or proceedings to the extent insured (net of deductibles), to the extent reserved against in the Financial Statements, as applicable, or to the extent covered by an indemnity obligation not subject to dispute or adjustment from a solvent indemnitor) or (B) settle any claims, demands, lawsuits or state or federal regulatory proceedings seeking an injunction or other equitable relief;

(viii) except with respect to budgeted capital expenditures set forth on Section 5.1(b) of the SEM Disclosure Schedule, or as otherwise required on an emergency basis in the reasonable judgment of SemStream, make any capital expenditure in excess of $200,000 in the aggregate (other than as permitted by sub-clause (v));

(ix) make any material change in its tax methods, principles or elections;

(x) make any change to its financial reporting and accounting methods other than as required by a change in GAAP or by a change in Law;

(xi) except in the ordinary course of business consistent with past practice (A) hire, engage the services of, increase the compensation of, make an advances of compensation to, or otherwise modify in the terms and conditions of employment or service of any Related Employee or Independent Contractor, as applicable, (B) enter into,

amend, or terminate any Employment Agreement, or any Collective Bargaining Agreement, or other contract or agreement with any labor union or organization, (C) establish, adopt or become obligated under any Employee Benefit Plan or (D) amend or terminate any Employee Benefit Plan except to the extent required by applicable Law;

(xii) adopt or vote to adopt a plan of complete or partial dissolution or liquidation;

(xiii) make any material change to its officers' and directors' liability insurance as existing on the Execution Date; or

(xiv) agree or commit to do any of the foregoing.

(c) From the Execution Date until the Closing Date, each Party shall promptly notify the other Party in writing upon (i) the occurrence of any event, condition or circumstance that would reasonably be expected to result in any of the conditions set forth in Article VI not being satisfied on or prior to the Closing Date, (ii) any change, event or occurrence that has had or would reasonably be expected to have a SemStream Material Adverse Effect or a NGL Material Adverse Effect, as the case may be, or (iii) any material breach of any covenant, obligation or agreement contained in this Agreement; *provided*, however, that, other than as provided in Section 5.25, the delivery of any notice pursuant to this Section 5.1(c) or the knowledge of any Party of any breach hereof by the other party shall not limit or otherwise affect the representations or warranties hereunder of the other Party, the remedies available hereunder (including pursuant to Article VII), or the conditions set forth in Article VI.

5.2 Access to Information; Confidentiality.

(a) Between the Execution Date and the Closing Date and upon reasonable notice, each Party shall afford the officers, employees, counsel, accountants and other authorized representatives and advisors of the requesting Party reasonable access, during normal business hours, to such disclosing Party's properties, books, contracts and records as well as to its management personnel (including for purposes of obtaining the Phase I Reports and the Compliance Audit Reports referenced in Sections 5.17 and 5.18 hereof); *provided* that such access shall be provided on a basis that minimizes the disruption to the operations of the disclosing Party; *provided*, further, that the requesting Party shall not (i) contact clients, customers or suppliers of the disclosing Party with respect to the transactions contemplated hereby without the prior written consent of the disclosing Party or (ii) perform invasive or subsurface investigations of the Real Property (other than as provided in Section 5.17 hereof) owned or leased by the disclosing Party or its Subsidiaries. The disclosing Party shall have a right to have a representative present at all times of any inspections, interviews and examinations conducted at or in the offices or other facilities or properties of the disclosing Party or its Subsidiaries.

(b) To the fullest extent permitted by Law, the disclosing Party shall not be responsible or liable to the requesting Party for injuries sustained by the requesting Party's officers, employees, counsel, accountants and other authorized representatives and advisors in connection with the access provided pursuant to Section 5.2(a), and such disclosing Party shall

be indemnified, defended and held harmless by the requesting Party for any and all losses suffered by the disclosing Party or its officers, employees, counsel, accountants and other authorized representatives in connection with any such injuries, including personal injury, death or physical property damage**. THIS INDEMNIFICATION IS EXPRESSLY INTENDED TO APPLY NOTWITHSTANDING ANY NEGLIGENCE (WHETHER SOLE, CONCURRENT, ACTIVE OR PASSIVE) OR OTHER FAULT OR STRICT LIABILITY ON THE PART OF THE DISCLOSING PARTY, EXCEPTING ONLY INJURIES ACTUALLY RESULTING ON THE ACCOUNT OF THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE DISCLOSING PARTY.**

(c) The Parties acknowledge that certain information received pursuant to Section 5.2(a) will be non-public or proprietary in nature and as such will be deemed to be "Information" for purposes of the Confidentiality Agreement ("Confidential Information"). Each Party further agrees to be bound by the terms and conditions of the Confidentiality Agreement and to maintain the confidentiality of such Confidential Information in accordance with the Confidentiality Agreement.

5.3 Offer of Employment.

(a) Effective as of the Closing Date, NGL Subsidiary (or an Affiliate thereof) will offer employment to each current employee of SemManagement who, as of the Closing Date, is (i) employed primarily in connection with the operation of the Business and (ii) identified on Section 5.3 of the NGL Disclosure Schedule (each, a "Potential Employee"); provided that in no event shall any individual employed primarily in connection with SemStream Arizona be a Potential Employee. Any Potential Employee who becomes an employee of NGL Subsidiary (or an Affiliate) as of the Closing Date shall be referred to in this Agreement as a "Transferred Employee". Except as otherwise provided in Section 2.2, NGL Subsidiary shall have no obligations whatsoever in respect of any Person who is a retired or terminated employee of SemManagement as of the Closing Date or an employee thereof not employed primarily in connection with the Business as of the Closing Date (each, an "Excluded Employee"). Potential Employees who, as of the Closing Date, are on layoff or any leave of absence, including, without limitation, vacation, military leave, disability leave or disability retirement (whether or not any applicable waiting period relating to such disability leave or disability retirement is then satisfied) (each, a "Leave Employee"), shall, except for Leave Employees who have retired with a total and permanent disability benefit retirement under an Employee Benefit Plan, become Transferred Employees on the date that they are capable of performing services and present themselves for active employment with NGL Subsidiary, and shall be otherwise subject to the terms and conditions of this Section 5.3. Each offer of employment made to a Potential Employee will be at a base wage or salary level, whichever is applicable, that is materially equivalent to the base wage or salary level provided by SemManagement, whichever is applicable, as in effect immediately prior to the date hereof and disclosed to NGL prior to the date hereof. Each such employment offer shall be effective as of the Closing (or, with respect to each Leave Employee, the date such Leave Employee is capable of performing services for NGL Subsidiary as an active employee, if later). Any Potential Employee who presents himself or herself for active employment at his or her principal place of employment on the Closing Date or within five (5) Business Days thereafter shall be deemed to have accepted NGL Subsidiary's offer of employment described in this Section 5.3(a) effective as of the Closing Date, and any

Potential Employee (other than any Leave Employee) who does not present himself or herself for such active employment within such time frame shall be considered an Excluded Employee as of the Closing Date. Any Leave Employee who does not present himself or herself for active employment with NGL Subsidiary (or a NGL Subsidiary) within five (5) Business Days after becoming capable of performing services shall be considered an Excluded Employee.

(b) NGL Subsidiary shall have no obligations whatsoever in respect of the Excluded Employees. Nothing herein shall be construed to confer upon Potential Employees or Excluded Employees any right to continued employment, wages or salaries with the Business or NGL Subsidiary or to amend or modify any at-will employment policy of NGL Subsidiary. No Potential Employee, Transferred Employee or Excluded Employee or any other Person not a party to this Agreement will have any rights with respect to any obligation of any party under this Agreement, and nothing contained herein, express or implied, is intended to confer on any such Person any rights or remedies.

5.4 Employee Benefits/Retention of Liabilities.

(a) NGL Subsidiary shall not assume any Employee Benefit Plans, and SemStream shall retain responsibility for claims for benefits, rights or payment under all SemManagement Plans. Notwithstanding any other provision in this Agreement to the contrary, but subject in all events to Section 2.2, Section 2.3, and Section 5.3 hereof, from and after the Closing Date, SemStream shall remain responsible for any and all Liabilities in respect of the Transferred Employees and their beneficiaries and dependents, except for Assumed Accrued Liabilities reserved against on the Net Working Capital Closing Statement and included in the calculation of Final Net Working Capital, for: (i) unpaid salaries, wages, commissions, vacation and sick pay, and other payroll items and expense reimbursement in each case arising on or prior to the Closing Date; (ii) claims for benefits, rights, entitlement or other payments under SemManagement Plans, arising on or prior to the Closing Date; (iii) any severance claims or any other claims or causes of action that relate to or arise out of employment with SemStream or SemManagement, or that are asserted by any employee or former employee of SemStream or SemManagement not hired by NGL Subsidiary; (iv) any entitlement to leave or to rights in respect of employment on return from leave arising on or prior to the Closing Date and (v) any withholding or employment Taxes arising on or prior to the Closing Date. SemStream shall remain responsible for any Liability under Title IV of ERISA arising out of such SemStream's or SemManagement's relationship with any ERISA Affiliate.

(b) SemStream shall remain solely responsible for Liability arising from workers' compensation claims, both medical and disability, or other government mandated programs which are based on injuries occurring prior to the Closing Date regardless of when such claims are filed. NGL Subsidiary shall be solely responsible for such claims of Transferred Employees based on injuries occurring on or after the Closing Date.

(c) SemStream shall remain responsible for all Liabilities in connection with the requirements COBRA with respect to any individual who is an "M&A qualified beneficiary" (as defined in the regulations under COBRA) as a result of the transactions contemplated by this Agreement, including, any individual who is participating in any SemManagement Plan and who experiences a "qualifying event" (within the meaning of COBRA) as of or before the Closing

Date and any individual who is receiving COBRA coverage as of the Closing Date. NGL Subsidiary shall be responsible for all such Liabilities with respect to any Transferred Employee who experiences a "qualifying event" after the Closing Date and their dependents and beneficiaries. NGL Subsidiary shall make health plan coverage available to Transferred Employees and their eligible dependents no later than the first day of the month following the Closing Date. NGL covenants and agrees to reimburse SemStream for the aggregate premiums and claims paid by SemStream with respect to health plan coverage for the Transferred Employees during the period following the Closing Date through the end of the calendar month in which the Closing occurs.

(d) With respect to employment Tax matters with respect to any Transferred Employee (i) NGL Subsidiary shall not assume SemStream's or SemManagement's obligation to prepare, file, and furnish IRS Form W-2s for the year including the Closing Date; (ii) SemStream and NGL Subsidiary agree to utilize "standard approach" with respect to each Transferred Employee pursuant to Revenue Procedure 2004-53, 34 I.R.B 320; (iii) SemStream and NGL Subsidiary agree that NGL Subsidiary represents a successor entity for purposes of determining the employment Taxes for the year of the Closing with respect to any Transferred Employee; and (iv) SemStream and NGL Subsidiary shall work in good faith to adopt similar procedures under applicable wage payment, reporting and withholding Laws for all Transferred Employees in all appropriate jurisdictions.

5.5 No Negotiations. Each SEM Group Entity will not, and will not permit its respective officers, employees, partners, Affiliates, representatives, agents, and anyone acting on behalf of any of them to, directly or indirectly, encourage, facilitate, solicit, initiate or engage in discussions or negotiations with, provide any nonpublic information or assistance to, consider the merits of any inquiries or proposals from, or enter into any letter of intent, agreement in principle, option agreement, purchase agreement, merger agreement, acquisition agreement or any other similar agreement with any Person concerning any merger, sale of assets, purchase or sale of securities or similar transaction involving, directly or indirectly, SemStream or the Contributed Assets. Each SEM Group Entity shall notify NGL of such inquiries or proposals (including in such notification the identity of the Person making the inquiry or proposal and the terms thereof), if any, and of any subsequent communications by the Person making such inquiry or proposal, in each case within twenty-four (24) hours of the making thereof.

5.6 Certain Filings. As promptly as practicable following the Execution Date, (i) the Parties shall (A) use all reasonable efforts to cooperate with one another in making all such filings and timely seeking all such consents, permits, authorizations or approvals and (B) use all reasonable efforts to take, or cause to be taken, all other actions and do, or cause to be done, all other things necessary, proper or advisable to consummate and make effective the transactions contemplated hereby, and (ii) each of the Parties shall make all required filings or applications necessary to obtain any consents required to be obtained from any applicable Governmental Entity in connection with the transactions contemplated by this Agreement. Subject to the provisions of the immediately preceding sentence, each of the Parties shall cooperate fully with respect to any filing, submission or communication with a Governmental Entity having jurisdiction over the transactions contemplated by this Agreement. Notwithstanding anything else in this Agreement to the contrary, in no event shall any Party be required to, or cause any Affiliate to, agree to (i) the imposition of conditions in exchange for any such consent, (ii)

dispose, divest or otherwise transfer any of such Party's (or its Affiliate's) assets or (iii) the requirement of expenditure of money to a Third Party in exchange for any such consent (other than customary filing and similar fees).

5.7 Reasonable Efforts; Further Assurances. From and after the Execution Date, upon the terms and subject to the conditions hereof, each Party shall use its commercially reasonable efforts to take, or cause to be taken, all appropriate action, and to do or cause to be done, all things necessary, proper or advisable under applicable Laws to consummate and make effective the transactions contemplated by this Agreement as promptly as practicable. Without limiting the foregoing but subject to the other terms of this Agreement, the Parties agree that, from time to time, whether before, at or after the Closing Date, each of them will execute and deliver, or cause to be executed and delivered, such instruments of assignment, transfer, conveyance, endorsement, direction or authorization as may be necessary to consummate and make effective the transactions contemplated by this Agreement. After the Closing, the Parties shall use commercially reasonable efforts to obtain any approvals or consents or assist in any filings required in connection with the transactions contemplated by this Agreement that are requested by NGL Subsidiary and that have not been previously obtained or made.

5.8 No Public Announcement. Until the Closing, SemStream, on the one hand, and the NGL Group Entities, on the other hand, shall consult with each other before issuing, and give each other the opportunity to review and comment upon, any press release or other public statements with respect to the transactions contemplated by this Agreement, and no Party (or any Affiliate thereof) shall issue any such press release or make any such public statement prior to such consultation and the consent of SemStream and NGL (on behalf of the NGL Group Entities) (which consent shall not be unreasonably withheld, conditioned or delayed), except as such Party may reasonably conclude is required by applicable Law or court process; provided, however, in no event shall any Party be liable or responsible for the content of any press release or public statement issued or made by the other Party. The Parties agree that, until Closing, all formal employee communication programs or announcements with respect to the transactions contemplated by this Agreement shall be in forms mutually agreed to by SemStream and NGL (on behalf of the NGL Group Entities) (such agreement not to be unreasonably withheld, conditioned or delayed); *provided*, however, that no further mutual agreement shall be required with respect to any such programs or announcements that implement programs or announcements previously announced in compliance with this Section 5.8.

5.9 Non-Transferable Contracts and Permits.

(a) SemStream and NGL Subsidiary shall cooperate to obtain and deliver to NGL Subsidiary at or prior to the Closing such consents as are required to allow the assignment by SemStream to NGL Subsidiary of all right, title and interest in, to and under any Contract or Permit included in the Contributed Assets. To the extent any such Contract or Permit is not capable of being assigned without the consent or waiver of the other party thereto or any Third Party (including any Authority), or if such assignment or attempted assignment would constitute a breach thereof or a violation of any Law or Order, this Agreement shall not constitute an assignment or an attempted assignment of such Contracts or Permits.

(b) Anything in this Agreement to the contrary notwithstanding, SemStream is not obligated to transfer to NGL Subsidiary any of its rights and obligations in and to any Contract or Permit without first having obtained all necessary consents and waivers. For the twelve (12) month period following the Closing Date, SemStream shall use its commercially reasonable efforts, and NGL Subsidiary shall cooperate with SemStream (at SemStream's expense), to obtain the consents and waivers referred to in Section 5.9(a).

(c) To the extent that such consents and waivers are not obtained by SemStream, this Agreement, to the extent permitted by Law, shall constitute an equitable assignment by SemStream to NGL Subsidiary of all rights, benefits, title and interest in and to such Contracts and Permits, and NGL Subsidiary shall be deemed to be SemStream's agent or subcontractor, as applicable, for the purpose of completing, fulfilling and discharging all of SemStream's rights and liabilities arising after the Closing Date under such Contracts and Permits. SemStream shall take all commercially reasonable steps and actions to provide (or have its agents and subcontractors provide) NGL Subsidiary with the proceeds and benefits of such Contracts and Permits and NGL Subsidiary shall be obligated for all liabilities under such Contracts and Permits which shall be treated as Assumed Liabilities hereunder. At NGL's direction, SemStream shall instruct any Third-Party to such Contract that any payments owing to SemStream under such Contract from such Third-Party shall be made to an account designated by NGL.

5.10 Expenses. Except as specified herein or in the Ancillary Agreements, the Parties shall bear their respective costs and expenses in connection with this Agreement and the consummation of the transactions contemplated hereby, including Transaction Expenses of such Party.

5.11 Control of Other Party's Business. Prior to the Closing Date, each of the Parties will exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its respective operations and the operations of its respective Subsidiaries. Nothing in this Agreement, including any of the actions, rights or restrictions set forth herein, will be interpreted in such a way as to require any Party to violate any rule, regulation or policy of any Governmental Entity or applicable Law, relating to the control of another Party (other than each such Party's Subsidiaries and Affiliates).

5.12 Insurance Arrangements. Between the Execution Date and the earlier to occur of the Closing Date or the termination of this Agreement, and except as otherwise consented to in writing (which consent shall not be unreasonably withheld, conditioned, or delayed) by all of the Parties, SemStream shall not take any action or fail to take any commercially reasonable action if such action or inaction, as the case may be, would materially adversely affect the applicability of any insurance in effect on the Execution Date that covers all or any part of the Contributed Assets or the Business.

5.13 Audited Financial Statements. No later than fourteen (14) days after the Closing Date, SemStream will cause to be prepared and delivered to NGL audited financial statements of SemStream prepared by the auditing firm of BDO, USA, LLP in accordance with Regulation S-X and meeting the requirements of Item 9.01 of Form 8-K of the Exchange Act and unaudited financial statements of SemStream for any interim periods following such audited periods

included therein. SemStream, will, to the extent required by applicable securities Laws, allow NGL to use such financial statements in NGL's filings with the SEC (and will use its commercially reasonable efforts to obtain any necessary third-party consent to such inclusion if required).

5.14 **Intentionally Deleted**.

5.15 Real Property Matters.

(a) SemStream shall use commercially reasonable efforts to cooperate with NGL Subsidiary so that prior to the Closing Date, NGL Subsidiary shall have obtained the following:

(i) with respect to each parcel of Owned Real Property, a commitment for an owner's policy of title insurance (a "Title Commitment") as of a date subsequent to the date hereof, issued by the Title Company, which commitment shall contemplate the issuance of an owner's title insurance policy on the most current form of ALTA fee owner's title insurance policy, with extended coverage (a "Title Policy"), insuring, in respect of the portion of such parcel in which SemStream has a fee simple interest the good and marketable fee simple title of SemStream in such portion of the Owned Real Property, with an insured amount no greater than the approximate fair market value of the subject Owned Real Property as reasonably agreed to between NGL Subsidiary and SemStream, together with complete copies of all exceptions and matters referred to therein, and with such affirmative coverages and endorsements as NGL Subsidiary shall reasonably require, and may include, without limitation, the following endorsements to the extent available in the applicable jurisdiction: (i) ALTA 3.1 zoning (plus parking and loading docks), (ii) owner's comprehensive, (iii) land "same as" survey, (iv) subdivision compliance, (v) tax parcel identification, (vi) contiguity, (vii) location, (viii) waiver of arbitration, (ix) utilities availability and (x) access;

(ii) an ALTA Land Title Survey (a "Survey") for each parcel of Real Property, reasonably acceptable to NGL Subsidiary in form and substance, certified within ninety (90) days of the Closing, prepared by a surveyor licensed in the jurisdiction where such Real Property is located, completed in accordance with the most current "Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys," including items 1-4, 6 (setbacks only), 7(a), 7(b)(1), 7(b)(2), 9, 10, 11(a), 13, 14, 16, 17 and 18 of "Table A" thereof, and certified to SemStream, any SEM Group Entity in title thereto, NGL Subsidiary, the Title Company, NGL Subsidiary's lender, if any, Winston & Strawn LLP and any other parties designated by NGL Subsidiary; and

(b) SemStream and NGL shall each pay fifty percent (50%) of the costs and expenses of the Title Commitments and Surveys, whether or not the transactions contemplated under this Agreement are consummated; and, at Closing, SemStream and NGL shall each pay fifty percent (50%) the costs and expenses of the Title Policies (other than extended coverage and endorsements thereto) and any and all title search, escrow and closing fees charged by the Title Company in connection with the Closing. NGL Subsidiary shall pay any incremental premiums for extended coverage under the Title Policies or any endorsements thereto.

5.16 Tax Matters.

(a) SemStream shall timely pay all Excluded Taxes and shall indemnify and hold NGL Subsidiary harmless from all Excluded Taxes.

(b) All Transfer Taxes shall be paid when due by SemStream and NGL Subsidiary will reimburse SemStream for one-half (50%) of the cost thereof.

(c) All refunds for Taxes attributable to the Contributed Assets, the Transferred Employees or the Business for any Pre-Closing Tax Period (and one-half (50%) of all refunds for Transfer Taxes) shall be for the benefit of SemStream; provided, however, any refund for any such Tax that NGL Subsidiary paid that SemStream has not indemnified for under this Agreement (or reserved as a Net Working Capital Closing Statement included in the Final Net Working Capital) shall be for the benefit of NGL Subsidiary. To the extent NGL Subsidiary receives a refund that is for the benefit of SemStream, NGL Subsidiary shall promptly pay the amount of such refund to SemStream (without interest, other than interest received from the applicable Governmental Entity, and net of any out-of-pocket costs or Taxes incurred by NGL Subsidiary with respect to obtaining such refund). All refunds for Taxes attributable to NGL Subsidiary Assets, the Transferred Employees or the Business for any Post-Closing Tax Period shall be for the benefit of NGL Subsidiary. To the extent SemStream receives a refund that is for the benefit of NGL Subsidiary, SemStream shall promptly pay the amount of such refund to NGL Subsidiary (without interest, other than interest received from the applicable Governmental Authority, and net of any out-of-pocket costs or Taxes incurred by SemStream with respect to obtaining such refund).

(d) If any Tax (or Tax refund) relates to a period that begins before and ends after the Closing Date, the parties shall use the following conventions for determining the portion of such Tax (or Tax refund) that relate to a Pre-Closing Tax Period and which relates to a Post-Closing Tax Period: (A) in the case of property Taxes and other similar Taxes imposed on a periodic basis, the amount of Taxes (or Tax refunds) attributable to the Pre-Closing Tax Period shall be determined by multiplying the Taxes for the entire period by a fraction, the numerator of which is the number of calendar days in the portion of the period ending on the Closing Date and the denominator of which is the number of calendar days in the entire period, and the remaining amount of such Taxes (or Tax refunds) shall be attributable to the Post-Closing Tax Period; and (B) in the case of all other Taxes, the amount of Taxes (or Tax refunds) attributable to the Pre-Closing Tax Period shall be determined as if a separate return was filed for the period ending as of the end of the day on the Closing Date using a “closing of the books methodology,” and the remaining amount of the Taxes (or Tax refunds) for such period shall be attributable to the Post-Closing Tax Period.

(e) NGL Subsidiary and SemStream shall (i) assist in the preparation and timely filing of any Tax Return (including any claim for a Tax refund); (ii) assist in any audit or other proceeding with respect to Taxes or Tax Returns; (iii) make available any information, records, or other documents relating to any Taxes or Tax Returns; (iv) provide any information required to allow NGL Subsidiary to comply with any information reporting or withholding requirements contained in the Code or other applicable Tax Laws; and (v) provide certificates or forms, and timely execute any Tax Return that are necessary or appropriate to establish an

exemption for (or reduction in) any Transfer Tax. Without limiting the foregoing, on or prior to the Closing, SemStream shall provide to NGL Subsidiary a schedule that sets forth (i) the adjusted tax basis in each Contributed Asset (as determined immediately prior to Closing) and (ii) the depreciation life, method, conventions and history of each such asset (the "Tax Basis Schedule").

(f) SemStream and the NGL Group Entities agree that the allocation of the assets contributed by SemStream to each of NGL Subsidiary and Holdings, respectively, in exchange for the consideration to be received by SemStream from NGL Subsidiary and Holdings, respectively, as set forth in Section 2.1(a) and Section 2.1(d), reflects the fair market value of the assets contributed and received. For all Tax reporting purposes, SemStream and each of NGL and Holdings agree to report the transactions in accordance with such allocation and agreed fair market value. Holdings agrees that to the extent the "gross asset value" (as defined in the Holdings LLC Agreement) of any Holdings asset is increased as a result of SemStream's contribution of cash to Holdings pursuant to Section 2.1(d), the increase will not exceed the amount contributed by SemStream as set forth in Section 2.1(d) [i.e., $22,500], as appropriately adjusted to reflect SemStream's percentage ownership of membership interests in Holdings.

(g) For purposes of Holdings making allocations of items income, gain, loss, deduction and credit that take into account the varying percentage membership interests in Holdings in calendar year 2011 resulting from the issuance of the Holdings Interests, Holdings shall adopt a closing of the books method.

5.17 Phase I Reports.

(a) Prior to the Closing, SemStream covenants and agrees to cooperate in good faith with NGL so as to allow NGL to obtain (at NGL's sole cost and expense) Phase I Reports for each parcel of Real Property prior to Closing, in form and substance satisfactory to NGL. SemStream reserves the right to engage its own environmental consultant, reasonably acceptable to NGL (whose approval shall not be unreasonably conditioned, withheld or delayed), to perform Phase I activities and review the results of NGL's environmental consultant's Phase I Report. In the event that NGL's environmental consultant's Phase I Report for any parcel of Owned Real Property recommends that a Phase II be performed for such parcel of Owned Real Property, NGL shall have the right, in its sole discretion, to exclude such parcel of Owned Real Property from the Contributed Assets at Closing and such parcel shall be a "Retained Parcel" and constitute a "Retained Asset". In the event NGL elects to exclude such parcel at Closing, the parties covenant and agree to enter into a lease agreement with respect to such parcel pursuant to commercially reasonable terms and at fair market value, which shall include an option to purchase such parcel at the applicable Retained Property Value and provide for a ten (10) year term with two optional extensions of ten (10) years each.

(b) Any obligation of NGL to purchase a Retained Parcel shall be conditioned upon SemStream engaging an environmental consultant to perform a Phase II investigation, and, in the event the Phase II investigation identifies Environmental Conditions which would require investigative, monitoring, remedial or corrective actions pursuant to Environmental Law ("Remedial Actions"), SemStream performing (and paying for) any required Remedial Actions identified in the Phase II report in accordance with applicable Law.

5.18 Compliance Audits. Prior to the Closing, and without limitation of the provisions of Section 5.2 hereof, SemStream covenants and agrees to cooperate in good faith with NGL so as to allow NGL and its agents (at NGL's cost and expense) to perform a physical inspection of the Real Property identified on Section 5.18 of the NGL Disclosure Schedule and deliver a report setting forth safety, compliance and engineering recommendations with respect thereto (an "Compliance Audit Report"). In the event any such Compliance Audit Report identifies safety, compliance or engineering deficiencies requiring correction or remediation so as to bring such facility into material compliance with applicable Law, SemStream covenants and agrees to perform such corrective or remedial actions identified in the Compliance Audit Report as promptly as practical at SemStream's sole cost and expense; provided, however, SemStream shall have the right to consult in good faith with an engineering consultant to confirm such recommendations.

5.19 Use of Names and Website.

(a) SemStream is not conveying or granting to NGL Subsidiary or its Affiliates any ownership right in, or any license to use, any trade names, trademarks, service marks, logos, domain names or any other source designators (including the name "SemStream" or any trade name, trademark, service mark, logo, domain name or other source designator incorporating, or confusingly similar to, the name "SemStream") of SemStream or any Affiliate of SemStream or any word that is confusingly similar in sound or appearance to such marks (collectively, the "SemStream Marks") and, after the Closing, NGL Subsidiary shall not use SemStream Marks in any manner. Notwithstanding the foregoing, SemStream hereby consents to the use of the name "SemStream" and the "SemStream" logo, and any trade name, trademark, service mark, logo, domain name or any other source designator incorporating the name "SemStream" by NGL Subsidiary from the Closing Date through December 31, 2012 in connection with the Business.

(b) SemStream shall ensure that anyone that navigates or links to "http://www.semstream.com/" at any time during the first six months following the Closing will be automatically redirected to www.nglenergypartners.com or any other World Wide Web site designated by NGL Subsidiary.

5.20 Termination of Letters of Credit. NGL Subsidiary shall take all actions necessary to cause the termination of all letters of credit which SemStream is responsible or liable for payment and disclosed on Section 5.20 of the SEM Disclosure Schedule (as updated pursuant to Section 5.25) on or prior to the Closing Date.

5.21 Transition Services Agreement. Prior to the Closing Date, the Parties shall negotiate in good faith a more detailed description of services (and associated fees) to be provided by SemStream pursuant to the Transition Services Agreement, which will be materially consistent with the summary description of services (and associated fees) in the form of Transition Services Agreement.

5.22 Refunds and Remittances.

(a) If after the Closing any SEM Group Entity receives any amount which is a Contributed Asset or is otherwise properly due and owing to any NGL Group Entity under this Agreement, such SEM Group Entity shall promptly remit, or shall cause to be remitted, such amount to such NGL Group Entity.

(b) If after the Closing any of the NGL Group Entities receives any amount which is a Retained Asset or is otherwise properly due and owing to any SEM Group Entity under this Agreement, including, without limitation, any Accounts Receivable, such NGL Group Entity shall promptly remit (and with respect to Accounts Receivable, such remittance shall occur on a weekly basis), or shall cause to be remitted, such NGL Group Entity shall promptly remit, or shall cause to be remitted, such amount to such SEM Group Entity. Further, after the Closing, the NGL Group Entities shall, at their expense, bill and collect any Accounts Receivable that are Retained Assets on behalf of SemStream.

5.23 NGL Interim Conduct. NGL covenants and agrees that from the Execution Date to the Closing Date:

(a) in the event NGL enters into any transaction other than in the ordinary course of business, such transaction (i) shall be approved by the board of directors of NGL in advance and (ii) shall not result in NGL ceasing to be treated as a partnership for federal income tax purposes;

(b) without the prior written consent of SemStream (which consent will not be unreasonably withheld, delayed or conditioned), merge into or with any other Person (other than (A) mergers among wholly owned subsidiaries of the same Person or (B) as permitted by clause (c));

(c) amend or otherwise change the NGL LP Agreement or the Holdings LLC Agreement other than to effectuate the transactions contemplated herein or otherwise disclosed to SemStream pursuant to the Information Statement or in connection with any acquisition disclosed in the NGL SEC Reports;

(d) declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, or make any other payment on or with respect to any of its capital stock except for (i) dividends by any direct or indirect wholly owned subsidiary of NGL to NGL or (ii) ordinary course quarterly cash dividend from available cash (and not the result of an extraordinary transaction);

(e) reclassify, combine, split, subdivide or redeem, or purchase or otherwise acquire, directly or indirectly, any of its partnership interests or other transaction with a similar effect; or

(f) without the prior written consent of SemStream (which consent will not be unreasonably withheld, delayed or conditioned), adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of NGL or other transaction with a similar effect.

5.24 Distribution Waiver. SemStream covenants and agrees, as a condition precedent to the performance of NGL Subsidiary's obligations hereunder, that it shall execute and deliver at Closing a waiver and forbearance agreement in form and substance reasonably satisfactory to NGL providing for the following:

(a) in the event the Closing occurs on or prior to the fifteenth (15th) day of any fiscal quarter of NGL, SemStream shall waive any right to receive any distribution declared and paid by NGL in such fiscal quarter in the ordinary course of business from available cash as of the end of the prior fiscal quarter (and not the result of an extraordinary transaction) (but shall be entitled to receive its full share of any distribution declared and paid in the immediately following fiscal quarter of NGL);

(b) in the event the Closing occurs after the fifteenth (15th) day of any fiscal quarter of NGL, SemStream shall waive any right to receive any distribution declared and paid by NGL in such fiscal quarter in the ordinary course of business from available cash as of the end of the prior fiscal quarter (and not the result of an extraordinary transaction) (but shall be entitled to receive its partial pro rata share (as hereafter defined) of any distribution declared and paid in the immediately following fiscal quarter of NGL). For purposes hereof, "partial pro rata share" shall mean the aggregate consecutive days that SemStream owned NGL Units during such fiscal quarter in which the Closing occurred divided by the aggregate number of days in such fiscal quarter; and

(c) without limitation of, and in addition to, the obligations set forth in subsections (a) and (b) above, SemStream shall, solely with respect to an aggregate number of NGL Units owned thereby equal to (i) 3,750,000 plus (ii) the aggregate Variable Units (the "Distribution Waiver Units"), waive any right to receive any distribution declared and paid by NGL in the ordinary course of business from available cash (and not the result of an extraordinary transaction) prior to August 30, 2012.

5.25 Updating of Disclosure Schedules. In the event of any action, event, occurrence or circumstance arising in the ordinary course of business consistent, if applicable, with past practices following the date hereof which results in the breach or inaccuracy of any representation or warranty of SemStream or NGL Subsidiary set forth in Article III or Article IV, respectively, the applicable Party shall promptly notify the other Party of such breach or inaccuracy and shall have been deemed to have amended such Party's Disclosure Schedules by giving such written notice to the other Party thereof. In any such event, the notifying Party's liability for inaccuracy or breach of any representation or warranty set forth herein after the Closing Date shall be determined by reference to such Party's Disclosure Schedules at the time of the Closing after giving effect to any such changes.

5.26 Securities Restrictions.

(a) SemStream agrees not to, and to cause its Affiliates not to, directly or indirectly:

(i) transfer any legal or beneficial interest in any NGL Units or other securities issued by NGL in respect of such NGL Units in violation of the Securities Act or any other applicable securities Law; or

(ii) except as otherwise agreed by Holdings, transfer any legal or beneficial interest in the NGL Units prior to the occurrence of the "payable date" for the quarterly distribution declared and made in connection with the fiscal quarter in which the Closing Date occurs; or

(iii) transfer any legal or beneficial interest in the Distribution Waiver Units prior to September 30, 2012 unless the purchaser of such NGL Units agrees to be bound by a forbearance agreement substantially similar to the agreement entered into by SemStream pursuant to Section 5.24.

(b) Except as set forth below in Section 5.27, SemStream agrees to be bound by Section 3(j) of the NGL Underwriting Agreement for the remaining term of the "Lock-Up Period" (as such term is defined in the NGL Underwriting Agreement).

(c) From the date of this Agreement and thereafter, SemStream shall not, directly or indirectly, acquire any equity interests of NGL or Holdings without the consent of NGL or Holdings, respectively.

5.27 Pledge and Transfer Consent and Waiver.

(a) NGL and Holdings each covenant and agree, as a condition precedent to the performance of SemStream's obligations hereunder, that they each shall execute and deliver at Closing an acknowledgement, consent and/or waiver, as applicable, in form and substance reasonably satisfactory to SemStream, providing that SemStream's pledge of its NGL Units to the agent under its credit facility as collateral, and any subsequent transfer of its NGL Units upon foreclosure or default, will not be treated by NGL or Holdings as a violation of the restrictions on transfer applicable to such NGL Units herein or pursuant to the NGL LP Agreement, provided, however, for the avoidance of doubt, that the Parties acknowledge and agree that such transfer restrictions shall remain applicable to the holders or transferees of such NGL Units following any such foreclosure or default and NGL shall receive a written acknowledgement of the same from such holders or transferees;

(b) Holdings covenants and agrees, as a condition precedent to the performance of SemStream's obligations hereunder, that it shall cause, in documentation executed and delivered at Closing, in form and substance reasonably satisfactory to SemStream, that the restrictions on transfer, rights of first refusal, tag along and drag along rights, and similar rights and restrictions contained in the Holdings LLC Agreement will be waived such that none of such restrictions shall be applicable to SemStream's pledge of its Holdings Interests to the agent under its credit agreement as collateral, nor any subsequent transfer of its Holdings Interests upon foreclosure or default, provided, however, for the avoidance of doubt, that the Parties acknowledge and agree that all such restrictions shall remain applicable to the holders or transferees of such Holdings Interests following any such foreclosure or default and NGL shall receive a written acknowledgement of the same from such holders or transferees;

(c) NGL and Holdings each covenant and agree, as a condition precedent to the performance of SemStream's obligations hereunder, that they each shall execute and deliver at Closing an acknowledgement, consent and/or waiver, as applicable, in form and substance reasonably satisfactory to SemStream, providing that SemStream's transfer of its NGL Units to any Affiliate will not be treated by NGL or Holdings as a violation of the restrictions on transfer applicable to such NGL Units pursuant to the NGL LP Agreement, provided, however, for the avoidance of doubt, that the Parties acknowledge and agree that such transfer restrictions shall remain applicable to the holders or transferees of such NGL Units and NGL shall receive a written acknowledgement of the same from such holders or transferees; and

(d) Holdings covenants and agrees, as a condition precedent to the performance of SemStream's obligations hereunder, that it shall cause, in documentation executed and delivered at Closing, in form and substance reasonably satisfactory to SemStream, that the restrictions on transfer, rights of first refusal, tag along and drag along rights, and similar rights and restrictions contained in the Holdings LLC Agreement will be waived such that none of such restrictions shall be applicable to SemStream's transfer of its Holdings Interests to any Affiliate, provided, however, for the avoidance of doubt, that the Parties acknowledge and agree that all such restrictions shall remain applicable to the holders or transferees of such Holdings Interests and NGL shall receive a written acknowledgement of the same from such holders or transferees.

5.28 Stop Transfer Instructions and Legends. NGL may adopt any procedures and take reasonably necessary steps to prevent any transfers of NGL Units or other securities issued by NGL in respect of any NGL Units by SemStream and its Affiliates in violation of Section 5.26, including issuing stop transfer orders to its transfer agent. In addition, SemStream acknowledges and agrees that each certificate representing any NGL Unit or other security issued by NGL in respect of any such NGL Unit shall bear the following restrictive legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THESE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE PARTNERSHIP THAT REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OR THE SUBMISSION OF SUCH OTHER EVIDENCE SATISFACTORY TO THE PARTNERSHIP TO THE EFFECT THAT ANY SUCH TRANSFER SHALL NOT BE IN VIOLATION OF THE SECURITIES ACT.

5.29 Holdings Interim Conduct. Holdings covenants and agrees that from the Execution Date to the Closing Date:

(a) in the event Holdings enters into any transaction other than in the ordinary course of business, such transaction (i) shall be approved by the board of directors of Holdings in advance and (ii) shall not result in Holdings ceasing to be treated as a partnership for federal income tax purposes;

(b) without the prior written consent of SemStream (which consent will not be unreasonably withheld, delayed or conditioned), merge into or with any other Person (other than (A) mergers among wholly owned subsidiaries of the same Person or (B) as permitted by clause (c));

(c) declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, or make any other payment on or with respect to any of its capital stock except for (i) dividends by any direct or indirect wholly owned subsidiary of Holdings to Holdings or (ii) ordinary course quarterly cash dividend from available cash (and not the result of an extraordinary transaction);

(d) reclassify, combine, split, subdivide or redeem, or purchase or otherwise acquire, directly or indirectly, any of its membership interests or other transaction with a similar effect; or

(e) without the prior written consent of SemStream (which consent will not be unreasonably withheld, delayed or conditioned), adopt a plan of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other reorganization of Holdings or other transaction with a similar effect.

5.30 Purchase Obligations. At the written election of SemStream, following the Closing, NGL Subsidiary shall purchase Inventory from SemStream included in the Retained Assets at market price (not to exceed $5,000,000 in the aggregate) over 90-day terms and pursuant to such other terms and conditions customary for such transaction.

5.31 Holdings Acknowledgement. By execution of this Agreement, Holdings does hereby notify SemStream that the voting limitation set forth in the definition of "Outstanding" in the NGL LP Agreement shall not apply.

ARTICLE VI
CONDITIONS TO CLOSING

6.1 Conditions to Each Party's Obligations. The obligation of the Parties to proceed with the Closing is subject to the satisfaction on or prior to the Closing Date of all of the following conditions, any one or more of which may be waived in writing, in whole or in part, as to a Party by such Party:

(a) *No Governmental Restraint*. No order, preliminary or permanent injunction or other legal restraint of any Governmental Entity shall be in effect that enjoins, prohibits or makes illegal the consummation of the transactions contemplated by Article II of this Agreement.

(b) *Hart-Scott-Rodino Act*. If applicable, all filings required pursuant to the Hart-Scott-Rodino Act shall have been made, and any approvals required thereunder shall have been obtained, or the waiting period required thereby shall have expired or have been terminated, as the case may be.

6.2 Conditions to SemStream's Obligations. The obligation of SemStream to proceed with the Closing is subject to the satisfaction on or prior to the Closing Date of all of the following conditions, any one or more of which may be waived in writing, in whole or in part, by SemStream (in its sole discretion):

(a) *Representations and Warranties of NGL; Performance*. (i) The representations and warranties of NGL (after giving effect to any changes made pursuant to Section 5.25) set forth in Article IV shall be true and correct in all material respects (other than those representations and warranties subject to any Materiality Requirements which shall be true and correct in all respects), as of the Execution Date and as of the Closing Date as though made on and as of the Closing Date (except for representations and warranties made as of a specific date, which shall be true and correct as of such specific date) provided such Material Adverse Effect exception shall not apply with respect to NGL Fundamental Representations, which shall be true and correct in all respects as of the Execution Date and as of the Closing Date as though made on and as of the Closing Date (except for representations and warranties made as of a specific date, which shall be true and correct as of such specific date); (ii) the NGL Group Entities shall have each performed in all material respects (or caused to have been performed in all material respects) all covenants and agreements required of them by this Agreement as of the Closing; and (iii) NGL shall have furnished SemStream at the Closing with a certificate signed by a principal executive officer to such effect.

(b) *No NGL Material Adverse Effect*. Since the Execution Date, there shall not have occurred, nor has there occurred any event that would be reasonably likely to result in, any NGL Material Adverse Effect.

(c) *NGL Closing Deliverables*. NGL Subsidiary shall have delivered the NGL Closing Deliverables.

(d) *Consent of Lenders*. Subject to Section 5.7 hereof, SemStream's lenders shall have consented to the transactions contemplated hereunder.

(e) *Termination of Letters of Credit*. All letters of credit described in Section 5.20 shall have been terminated.

6.3 Conditions to the NGL Group Entities' Obligations. The obligation of the NGL Group Entities to proceed with the Closing is subject to the satisfaction on or prior to the Closing Date of all of the following conditions, any one or more of which may be waived in writing, in whole or in part, by NGL (in its discretion):

(a) *Representations and Warranties of SemStream; Performance*. (i) The representations and warranties of SemStream (after giving effect to any changes made pursuant to Section 5.25) set forth in Article III shall be true and correct in all material respects (other than those representations and warranties subject to any Materiality Requirements which shall be true and correct in all respects), as of the Execution Date and as of the Closing Date as though made on and as of the Closing Date (except for representations and warranties made as of a specific date, which shall be true and correct as of such specific date); *provided* such Material Adverse Effect exception shall not apply with respect to the SemStream Fundamental Representations,

which shall be true and correct in all respects as of the Execution Date and as of the Closing Date as though made on and as of the Closing Date (except for representations and warranties made as of a specific date, which shall be true and correct as of such specific date); (ii) SemStream shall have performed in all material respects (or caused to have been performed in all material respects) all covenants and agreements required of SemStream by this Agreement as of the Closing; and (iii) SemStream shall have furnished NGL Subsidiary at the Closing with a certificate signed by a principal executive officer to such effect.

(b) *No SemStream Material Adverse Effect*. Since the Execution Date, there shall not have occurred, nor has there occurred any event that would be reasonably likely to result in, any SemStream Material Adverse Effect.

(c) *Closing Deliverables*. SemStream shall have delivered the SEM Closing Deliverables.

(d) *Real Property*. NGL Group Entities shall have received: (a) a pro forma Title Policy or "marked-up" Title Commitment, contemplating the issuance of a Title Policy, insuring NGL Subsidiary's good and marketable fee simple title to the portion of the subject Owned Real Property in which SemStream has a fee simple interest and, if available using commercially reasonable efforts and at Buyer's sole expense, title to all recorded easements, if any, appurtenant to the subject Owned Real Property, free and clear of all Encumbrances (including, without limitation, any and all of the Title Company's standard exceptions to the extent available in the applicable jurisdiction) other than the Permitted Encumbrances; (b) all affidavits and other documents reasonably required by the Title Company including, without limitation, non-imputation affidavit and indemnity agreements, in connection with the issuance of the Title Policies, together with any real property transfer tax declarations required as a result of the transactions contemplated by this Agreement; and (c) the Surveys.

(e) *Phase I and Compliance Audits*. The Phase I Reports and the Compliance Audit Reports shall have been delivered pursuant to Sections 5.17 and 5.18.

(f) *Real Property Leases*. To the extent applicable, any lease referenced in Section 5.17 shall have been executed and delivered.

(g) *Distribution Waiver*. SemStream shall have executed and delivered the waiver referenced in Section 5.24.

ARTICLE VII
INDEMNIFICATION

7.1 Survival. The representations and warranties of SemStream contained in Sections 3.1(a) (Organization; Qualification), 3.2 (Authority; No Violation; Consents and Approvals), 3.3 (Capitalization), and 3.21 (Brokers' Fee) (collectively, the "SemStream Fundamental Representations") shall survive the Closing for a period of eighteen (18) months after the Closing Date. All other representations and warranties of SemStream set forth in this Agreement shall terminate as of the Closing Date and shall be of no force and effect after the Closing Date. The representations and warranties of NGL Group Entities set forth in Sections 4.1 (Organization; Qualification), 4.2 (Authority; No Violation; Consents and Approvals), 4.3 (Capitalization), 4.5

(Brokers' Fees), 4.11 (Valid Issuance of Holdings Interests), 4.12 (Authorization of NGL Units) and 4.13 (Description of Securities) (collectively, the "NGL Fundamental Representations" shall be continuing and shall survive the Closing for a period of eighteen (18) months after the Closing Date. All other representations and warranties of NGL Group Entities set forth in this Agreement shall terminate as of the Closing Date and shall be of no force and effect after the Closing Date. All covenants and agreements in this Agreement that by their terms are to be performed at or prior to the Closing shall terminate as of the Closing Date and shall be of no force and effect after the Closing Date. All covenants and agreements in this Agreement that by their terms are to be performed after the Closing shall survive after the Closing Date in accordance with their terms. Each applicable survival period in this Section 7.1(a) is referred to as the "Survival Period."

7.2 SemStream Agreement to Indemnify.

(a) Subject to the terms and conditions set forth herein, from and after the Closing, SemStream shall indemnify, defend and hold harmless each of the NGL Group Entities and their respective Subsidiaries, directors, officers, employees, Affiliates, controlling persons, agents, representatives, successors and assigns (collectively, the "NGL Indemnified Parties") from and against all liability, demands, claims, actions or causes of action, assessments, losses, damages, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) (collectively, "Damages") asserted against or incurred (or reasonably likely to be incurred) by any NGL Indemnified Party as a result of or arising out of or under:

(i) a breach of the SemStream Fundamental Representations; *provided*, *however*, that solely for purposes of this Section 7.2(a)(i), in determining whether there has occurred a breach of any such representation or warranty, the provisions of such representations and warranties shall be read and interpreted as if the words "Material Adverse Effect,""in all material respects" and other materiality qualifications were not contained therein;

(ii) a breach of any of the SEM Group Entities' covenants and agreements contained in this Agreement; and

(iii) any Excluded Liability; provided, however, SemStream's obligation to indemnify any NGL Indemnified Party with respect to any Excluded Liability of the type set forth in Section 2.3(i) or (vi) shall be limited to actual out-of-pocket Damages incurred thereby.

THIS INDEMNIFICATION IS EXPRESSLY INTENDED TO APPLY NOTWITHSTANDING ANY NEGLIGENCE (WHETHER SOLE, CONCURRENT, ACTIVE OR PASSIVE) OR OTHER FAULT OR STRICT LIABILITY ON THE PART OF ANY OF THE NGL INDEMNIFIED PARTIES.

(b) The obligation of SemStream to indemnify the NGL Indemnified Parties pursuant to Section 7.2(a) is subject to the following limitations:

(i) In no event shall SemStream's aggregate obligation to indemnify the NGL Indemnified Parties pursuant to Section 7.2(a)(i) and (ii) exceed $15,000,000 (the "Cap") in the aggregate; provided, in no event shall the Cap be applicable to a claim for fraud, intentional misrepresentation or intentional breach.

(ii) SemStream shall have no obligation or liability under Section 7.2(a)(i) or (ii) with respect to SemStream's Pre-Closing Covenants unless and until the aggregate amount of the Damages suffered by the NGL Indemnified Parties for which SemStream is obligated to indemnify the NGL Indemnified Parties under Section 7.2(a)(i) or (ii) exceeds $1,500,000 (the "SEM Deductible"); *provided*, *however*, that once the amount of such Damages suffered exceeds the SEM Deductible, SemStream shall be obligated to indemnify the NGL Indemnified Parties only to the extent that such Damages exceed, and only in amounts that exceed, the SEM Deductible; *provided*, *further*, in no event shall the SEM Deductible be applicable to any claim for fraud, intentional misrepresentation, or intentional breach.

(iii) SemStream shall be obligated to indemnify the NGL Indemnified Parties pursuant to Section 7.2(a) only for those claims giving rise to Damages of the NGL Indemnified Parties as to which a NGL Indemnified Party has given SemStream written notice prior to the end of the applicable Survival Period, if any. Any written notice delivered by a NGL Indemnified Party to SemStream with respect to Damages of the NGL Indemnified Parties shall set forth with as much specificity as is reasonably practicable the basis of the claim for Damages of the NGL Indemnified Parties and, to the extent reasonably practicable, a reasonable estimate of the amount thereof. Notwithstanding anything in this Agreement to the contrary (including Section 7.1), the Survival Period shall not be applicable with respect to any claim for Damages arising for fraud, intentional misrepresentation or intentional breach.

(iv) SemStream shall have no obligation or liability for breaches of Section 5.1(a) or (b) to the extent SemStream had no Knowledge of any such event described therein.

7.3 NGL's Agreement to Indemnify.

(a) Subject to the terms and conditions set forth herein, from and after the Closing, NGL shall indemnify, defend and hold harmless SemStream and its Subsidiaries, directors, officers, employees, Affiliates, controlling persons, agents, representatives, successors and assigns (collectively, the "SEM Indemnified Parties") from and against all Damages asserted against or incurred by (or reasonably likely to be incurred by) any SEM Indemnified Party as a result of or arising out of:

(i) a breach of any NGL Fundamental Representation *provided*, *however*, that solely for purposes of this Section 7.3(a)(i), in determining whether there has occurred a breach of any such representation or warranty, the provisions of such representations and warranties shall be read and interpreted as if the words "Material Adverse Effect,""in all material respects" and other materiality qualifications were not contained therein;

(ii) a breach of any of the NGL Group Entities' covenants and agreements contained in this Agreement; and

(iii) any Assumed Liability.

THIS INDEMNIFICATION IS EXPRESSLY INTENDED TO APPLY NOTWITHSTANDING ANY NEGLIGENCE (WHETHER SOLE, CONCURRENT, ACTIVE OR PASSIVE) OR OTHER FAULT OR STRICT LIABILITY ON THE PART OF ANY OF THE SEM INDEMNIFIED PARTIES.

(b) The obligation of NGL to indemnify the SEM Indemnified Parties pursuant to Section 7.3(a) is subject to the following limitations:

(i) In no event shall NGL's aggregate obligation to indemnify the SEM Indemnified Parties pursuant to Section 7.3(a)(i) and (ii) exceed the Cap in the aggregate; provided, in no event shall the Cap be applicable to a claim for fraud, intentional misrepresentation or intentional breach.

(ii) NGL shall have no obligation or liability under Section 7.3(a)(i) and (ii) with respect to NGL's Pre-Closing Covenants unless and until the aggregate amount of the Damages suffered by the SEM Indemnified Parties for which NGL is obligated to indemnify the SEM Indemnified Parties under Section 7.3(a)(i) and (ii) exceeds $1,500,000 (the "NGL Deductible"); *provided*, *however*, that once the amount of such Damages suffered exceeds the NGL Deductible, NGL shall be obligated to indemnify the SEM Indemnified Parties only to the extent that such Damages exceed, and only in amounts that exceed, the NGL Deductible; *provided*, *further*, in no event shall the NGL Deductible be applicable to any claim for fraud, intentional misrepresentation, or intentional breach.

(iii) NGL shall be obligated to indemnify the SEM Indemnified Parties pursuant to Section 7.3(a)(i) and (ii) only for those claims giving rise to Damages of the SEM Indemnified Parties as to which a SEM Indemnified Party has given NGL Subsidiary written notice prior to the end of the Survival Period, if any. Any written notice delivered by a SEM Indemnified Party to NGL with respect to Damages of the SEM Indemnified Parties shall set forth with as much specificity as is reasonably practicable the basis of the claim for Damages of the SEM Indemnified Parties and, to the extent reasonably practicable, a reasonable estimate of the amount thereof. Notwithstanding anything in this Agreement to the contrary (including Section 7.1), the Survival Period shall not be applicable with respect to any claim for Damages arising for fraud, intentional misrepresentation or intentional breach.

(iv) NGL shall have no obligation or liability for breaches of Section 5.23 to the extent NGL had no Knowledge of any such event described therein.

7.4 Indemnification Procedures.

(a) Promptly after receipt by an Indemnified Party of notice of the commencement of any action, such Indemnified Party shall, if a claim in respect thereof is to be

made against the Indemnifying Party under this Article VII, notify the Indemnifying Party in writing of the commencement thereof; but the omission so to notify the Indemnifying Party shall not relieve it from any liability which it may have to any Indemnified Party otherwise than under this Article VII. In case any such action shall be brought against any Indemnified Party and it shall notify the Indemnifying Party of the commencement thereof, the Indemnifying Party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other Indemnifying Party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Party (who shall not, except with the consent of the Indemnified Party, be counsel to the Indemnifying Party), and, after notice from the Indemnifying Party to such Indemnified Party of its election so to assume the defense thereof, the Indemnifying Party shall not be liable to such Indemnified Party under this Article VII for any legal expenses of counsel to the Indemnified Party or any other expenses of the Indemnified Party, in each case subsequently incurred by such Indemnified Party, in connection with the defense thereof other than reasonable costs of investigation. If the Indemnifying Party fails to notify the Indemnified Party within thirty (30) days that the Indemnifying Party elects to defend the Indemnified Party pursuant to this Section 7.4, or if the Indemnifying Party elects to defend the Indemnified Party pursuant to this Section 7.4 but fails diligently to prosecute the proceedings related to such claim as herein provided then the Indemnified Party shall have the right to defend, at the sole cost and expense of the Indemnified Party (if the Indemnified Party is entitled to indemnification hereunder), such claim by all appropriate proceedings. No Indemnifying Party shall, without the written consent of the Indemnified Party (which consent will not be unreasonably withheld, delayed or conditioned), effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought under this Article VII (whether or not the Indemnified Party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the Indemnified Party from all liability arising out of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any Indemnified Party.

(b) In the event any Indemnified Party should have a claim against any Indemnifying Party hereunder that does not involve a third-party claim, the Indemnified Party shall transmit to the Indemnifying Party a written notice (the "Indemnity Notice") describing in reasonable detail the nature of the claim, an estimate of the amount of damages attributable to such claim to the extent feasible (which estimate shall not be conclusive of the final amount of such claim) and the basis of the Indemnified Party's request for indemnification under this Agreement. If the Indemnifying Party does not notify the Indemnified Party within thirty (30) days from its receipt of the Indemnity Notice that the Indemnifying Party disputes such claim, the claim specified by the Indemnified Party in the Indemnity Notice shall be deemed a liability of the Indemnifying Party hereunder. If the Indemnifying Party provides notice within such time period that it disputes the claim, the Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the claim, and whether and to what extent any amount is payable in respect of the claim and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Indemnified Party's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request.

(c) In determining the amount of any Damages for which the Indemnified Party is entitled to indemnification under this Article VII, the gross amount of the indemnification will be reduced by (i) any insurance proceeds actually received by the Indemnified Party and (ii) all amounts actually recovered by the Indemnified Party under contractual indemnities from third Persons.

(d) The date on which notification of a claim for indemnification is received as provided in Section 9.1 by the Indemnifying Party shall determine whether such claim is timely made.

7.5 No Duplication. Any liability for indemnification hereunder shall be determined without duplication of recovery by reason of the state of facts giving rise to such liability constituting a breach of more than one representation, warranty, covenant or agreement. In this regard, there shall be no duplication of recovery under Article VII.

7.6 Exclusive Remedies.

(a) Except as provided in Section 5.2 and Section 8.3 and except with respect to claims or causes of action arising from fraud or willful misconduct or for breach of the Ancillary Agreements, the Parties agree that, from and after the Closing, the sole and exclusive remedy of any Party or their respective Affiliates with respect to this Agreement or any other claims relating to the events giving rise to this Agreement and the transactions provided for herein or contemplated hereby (including the Bill of Sale and Assignment Agreement) shall be limited to the indemnification provisions set forth in this Article VII.

(b) The Parties intend that the indemnification procedures and limitations contained in Section 7.4, Section 7.5 and Section 7.7 shall not apply to the indemnity obligations of the parties in Section 5.2.

7.7 Recourse against SemStream. Any claims for indemnification against SemStream shall be paid in cash by SemStream. The obligations of SemStream under this Article VII shall be guaranteed by the Limited Partner pursuant to the terms and conditions of the Parent Guaranty. Any claims for indemnification against NGL shall be paid in cash by NGL. Any payments made by NGL hereunder shall be increased to account for SemStream's ownership in NGL by multiplying the payment due by a fraction the numerator of which shall be the total number of NGL Common Units outstanding and the denominator of which shall be the total number of NGL Common Units outstanding and not owned by SemStream or its Affiliates.

7.8 No Exemplary or Punitive Damages. IN NO EVENT SHALL ANY PARTY BE LIABLE UNDER THIS ARTICLE VII OR OTHERWISE IN RESPECT OF THIS AGREEMENT FOR EXEMPLARY OR PUNITIVE DAMAGES, EXCEPT TO THE EXTENT ANY SUCH PARTY SUFFERS SUCH DAMAGES TO AN UNAFFILIATED THIRD PARTY IN CONNECTION WITH A THIRD-PARTY CLAIM, IN WHICH EVENT SUCH DAMAGES SHALL BE RECOVERABLE.

ARTICLE VIII
TERMINATION

8.1 Termination of Agreement. Notwithstanding anything herein to the contrary, this Agreement and the transactions contemplated hereby may be terminated at any time before the Closing as follows:

(a) By the mutual written agreement of each of SemStream and NGL;

(b) By either SemStream or NGL if any Governmental Entity shall have issued a final and nonappealable order, injunction or other legal restraint permanently enjoining or otherwise prohibiting the consummation of the transactions contemplated by Article II of this Agreement, *provided* that the Party seeking to terminate this Agreement pursuant to this Section 8.1(b) shall have complied with its obligations in Section 5.6 in all material respects;

(c) By SemStream if there shall have been a breach of any of the covenants or agreements or any inaccuracy of any of the representations or warranties set forth in this Agreement on the part of the NGL Subsidiary, which breach or inaccuracy, either individually or in the aggregate, would result in, if occurring or continuing on the Closing Date, a failure of the conditions set forth in Section 6.2 that is not capable of being satisfied or cured by the End Date and has not been cured by NGL within ten (10) days of NGL's receipt of written notice thereof from SemStream;

(d) By NGL if there shall have been a breach of any of the covenants or agreements or any inaccuracy of any of the representations or warranties set forth in this Agreement on the part of SemStream, which breach or inaccuracy, either individually or in the aggregate, would result in, if occurring or continuing on the Closing Date, a failure of the conditions set forth in Section 6.3 that is not capable of being satisfied or cured by the End Date and has not been cured by SemStream within ten (10) days of SemStream's receipt of written notice thereof from NGL; or

(e) By NGL or SemStream, if the transactions contemplated this Agreement shall not have been consummated on or prior to January 15, 2012 (the "End Date"); *provided*, *however*, that the right to terminate this Agreement pursuant to this Section 8.1(e) shall not be available to any such Party whose failure to perform or observe in any material respect any of its obligations under this Agreement proximately caused the failure to consummate the transactions contemplated by this Agreement on or before the End Date.

8.2 Effect of Certain Terminations. In the event of termination of this Agreement pursuant to this Article VIII, all rights and obligations of the Parties under this Agreement shall terminate, except the provisions of Section 5.2, Section 5.10, Section 5.11, Article VIII and Article IX shall survive such termination; *provided*, *however*, that nothing herein shall relieve any Party from any liability for any intentional or willful and material breach by such Party of any of its representations, warranties, covenants or agreements set forth in this Agreement and all rights and remedies of a non-breaching Party under this Agreement in the case of such intentional or willful and material breach, at law or in equity, shall be preserved.

8.3 Enforcement of this Agreement. The Parties acknowledge and agree that an award of money damages would be inadequate for any breach of this Agreement by any Party and any such breach would cause the non-breaching Parties irreparable harm. Accordingly, the

Parties agree that prior to the termination of this Agreement, in the event of any breach or threatened breach of this Agreement by one of the Parties, the Parties to the fullest extent permitted by law, will also be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance, *provided* such Party is not in material default hereunder. Such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at law or equity to each of the Parties.

ARTICLE IX
MISCELLANEOUS

9.1 Notices. Any notice, request, instruction, correspondence or other document to be given hereunder by any Party to another Party (each, a "Notice") shall be in writing and delivered in person or by courier service requiring acknowledgment of receipt of delivery or mailed by U.S. registered or certified mail, postage prepaid and return receipt requested, or by fax, as follows, *provided* that copies to be delivered below shall not be required for effective notice and shall not constitute notice:

If to SemStream, addressed to:

SemGroup Corporation
Two Warren Place
6120 South Yale Avenue
Suite 700
Tulsa, OK 74136-4216
Attn: Kevin Clement

with a copy, which shall not constitute notice, to:

SemGroup Corporation
Two Warren Place
6120 South Yale Avenue
Suite 700
Tulsa, OK 74136-4216
Attn: Candice L. Cheeseman

Gibson, Dunn & Crutcher LLP
1801 California Street,
Denver, CO 80202-2642
Attention: Steven K. Talley
Fax: (303) 313-2840

If to any NGL Group Entity, addressed to:

NGL Energy Partners LP
6120 S. Yale, Suite 805
Tulsa, OK 74136
Attention: H. Michael Krimbill
Fax: (918) 492-0990

with copies, which shall not constitute notice, to:

Winston & Strawn LLP
35 W. Wacker Dr.
Chicago, Illinois 60601
Attention: Bruce A. Toth and Gregory J. Bynan
Fax: (312) 558-5700

Notice given by personal delivery, courier service or mail shall be effective upon actual receipt. Notice given by fax shall be confirmed by appropriate answer back and shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next Business Day after receipt if not received during the recipient's normal business hours. All Notices by fax shall be confirmed promptly after transmission in writing by certified mail or personal delivery. Any Party may change any address to which Notice is to be given to it by giving Notice as provided above of such change of address.

9.2 Governing Law; Jurisdiction; Waiver of Jury Trial. To the maximum extent permitted by applicable Law, the provisions of this Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws. Each of the Parties agrees that this Agreement involves at least $100,000 and that this Agreement has been entered into in express reliance upon 6 Del. C. §2708. Each of the Parties irrevocably and unconditionally confirms and agrees (i) that it is and shall continue to be subject to the jurisdiction of the courts of the State of Delaware and of the federal courts sitting in the State of Delaware, and (ii)(A) to the extent that such Party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such Party's agent for acceptance of legal process and notify the other Parties of the name and address of such agent, and (B) to the fullest extent permitted by Law, that service of process may also be made on such Party by prepaid certified mail with a proof of mailing receipt validated by the U.S. Postal Service constituting evidence of valid service, and that, to the fullest extent permitted by applicable Law, service made pursuant to (ii)(A) or (B) above shall have the same legal force and effect as if served upon such party personally within the State of Delaware. **TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY (A) CONSENTS AND SUBMITS TO THE EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT LOCATED IN THE STATE OF DELAWARE, INCLUDING THE DELAWARE COURT OF CHANCERY IN AND FOR NEW CASTLE COUNTY (THE "DELAWARE COURTS") FOR ANY ACTIONS, SUITS, OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT (AND AGREES NOT TO COMMENCE ANY LITIGATION RELATING THERETO EXCEPT IN SUCH COURTS), (B) WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUCH LITIGATION IN THE DELAWARE COURTS AND AGREES NOT TO PLEAD OR CLAIM IN ANY DELAWARE COURT THAT SUCH LITIGATION BROUGHT THEREIN HAS BEEN BROUGHT IN ANY INCONVENIENT**

FORUM AND (C) ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY THAT MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

9.3 Entire Agreement; Amendments and Waivers. This Agreement, the exhibits and schedules hereto and the Transaction Documents constitute the entire agreement between and among the Parties pertaining to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no warranties, representations or other agreements between or among the Parties in connection with the subject matter hereof except as set forth specifically herein or contemplated hereby. Except as expressly set forth in this Agreement, the SEM Disclosure Schedule, the NGL Disclosure Schedule and in any agreement delivered pursuant to Section 2.1 hereof (including the representations and warranties set forth in Articles III and IV), (i) the Parties acknowledge and agree that none of the Parties or any other Person has made, and the Parties are not relying upon, any covenant, representation or warranty, written or oral, statutory, expressed or implied, as to the SEM Group Entities or the NGL Group Entities, as applicable, or as to the accuracy or completeness of any information regarding any Party furnished or made available to any other Party and (ii) no Party shall have or be subject to any liability to any other Person, or any other remedy in connection herewith, based upon the distribution to any other Person of, or any other Person's use of or reliance on, any such information or any information, documents or material made available to such Person in any "data rooms," "virtual data rooms," management presentations or in any other form in expectation of, or in connection with, the transactions contemplated hereby. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. The failure of a Party to exercise any right or remedy shall not be deemed or constitute a waiver of such right or remedy in the future. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (regardless of whether similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

9.4 Binding Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and assigns. Nothing in this Agreement, express or implied, is intended to confer upon any Person other than the Parties and their respective permitted successors and assigns, any rights, benefits or obligations hereunder, except as set forth in Article VII. No Party hereto may assign, transfer, dispose of or otherwise alienate this Agreement or any of its rights, interests or obligations under this Agreement (whether by operation of Law or otherwise), provided, however, that NGL Subsidiary may assign or transfer all or any part of its rights and obligations under this Agreement (a) to any Person that is wholly-owned, directly or indirectly, by NGL Subsidiary or is an Affiliate of NGL Subsidiary or (b) after the Closing, to any Person to whom NGL Subsidiary sells all or substantially all the Contributed Assets; provided, further, that at any time any Party may collaterally assign its rights hereunder to any Person or Persons providing financing to such Party in connection with the transactions contemplated hereby. Any attempted assignment, transfer, disposition or alienation in violation of this Agreement shall be null, void and ineffective.

9.5 Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective only to the extent of such invalidity or unenforceability without rendering invalid or unenforceable such term or provision as to any other jurisdiction or any of the remaining terms and provisions of this Agreement in that or any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable.

9.6 Risk of Loss. Risk of loss, damage or destruction to the Contributed Assets shall be upon SemStream until the Closing and shall thereafter be upon NGL Subsidiary.

9.7 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have caused this Contribution Agreement to be signed by their respective officers hereunto duly authorized, all as of the Execution Date.

SEMSTREAM, L.P.

By: SemOperating G.P., L.L.C.
as General Partner

By: SemGroup Corporation,
as Sole Member

By: /s/ Norman J. Szydlowski
Name: Norman J. Szydlowski
Title: President and CEO

NGL ENERGY PARTNERS LP

By: NGL Energy Holdings LLC

By: /s/ H. Michael Krimbill
Name: H. Michael Krimbill
Title: CEO

NGL ENERGY HOLDINGS LLC

By: /s/ H. Michael Krimbill
Name: H. Michael Krimbill
Title: CEO

NGL SUPPLY TERMINAL COMPANY, LLC

By: /s/ H. Michael Krimbill
Name: H. Michael Krimbill
Title: CEO

SECOND AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

OF

NGL ENERGY HOLDINGS LLC (f/k/a Silverthorne Energy Holdings LLC),

A Delaware Limited Liability Company

Dated as of

November 1, 2011

THE HOLDERS OF THE MEMBERSHIP INTERESTS REPRESENTED BY THIS AGREEMENT ACKNOWLEDGE FOR THE BENEFIT OF NGL ENERGY HOLDINGS LLC THAT THE MEMBERSHIP INTERESTS MAY NOT BE SOLD, OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IF SUCH TRANSFER WOULD (A) VIOLATE THE THEN APPLICABLE FEDERAL OR STATE SECURITIES LAWS OR RULES AND REGULATIONS OF THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER GOVERNMENTAL AUTHORITY WITH JURISDICTION OVER SUCH TRANSFER, (B) TERMINATE THE EXISTENCE OR QUALIFICATION OF NGL ENERGY HOLDINGS LLC UNDER THE LAWS OF THE STATE OF DELAWARE, (C) CAUSE NGL ENERGY HOLDINGS LLC TO BE TREATED AS AN ASSOCIATION TAXABLE AS A CORPORATION OR OTHERWISE TO BE TAXED AS AN ENTITY FOR FEDERAL INCOME TAX PURPOSES (TO THE EXTENT NOT ALREADY SO TREATED OR TAXED) OR (D) VIOLATE THE OTHER RESTRICTIONS ON TRANSFER SET FORTH HEREIN.

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SECOND AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT

OF

NGL ENERGY HOLDINGS LLC (F/K/A SILVERTHORNE ENERGY HOLDINGS LLC),

A Delaware Limited Liability Company

This **SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT** (this "Agreement") of NGL Energy Holdings LLC (f/k/a Silverthorne Energy Holdings LLC) (the "Company"), dated as of November 1, 2011, is adopted, executed and agreed to, for good and valuable consideration, by NGL Holdings, Inc., a Delaware corporation ("NGL Holdings"), KrimGP2010, LLC, an Oklahoma limited liability company ("Krimbill GP"), Atkinson Investors, LLC, a Texas limited liability company ("Atkinson"), Infrastructure Capital Management, LLC, a New York limited liability company ("ICM" and, collectively with Krimbill GP and Atkinson, the "IEP Group"), Coady Enterprises, LLC, an Illinois limited liability company ("Coady Enterprises"), Thorndike, LLC, an Illinois limited liability company ("Thorndike" and, together with Coady Enterprises, the "Coady Group"), SemStream, L.P., a Delaware limited partnership ("SemStream"), and the other Members identified on the signature pages hereto.

RECITALS

WHEREAS, the name of the Company is "NGL Energy Holdings LLC";

WHEREAS, the Company was originally formed as a Delaware limited liability company by the filing of a Certificate of Formation (as it may be amended or restated from time to time, the "Certificate of Formation"), dated as of September 8, 2010, with the Secretary of State of the State of Delaware pursuant to the Delaware Act;

WHEREAS, on October 14, 2010, the Members entered into the First Amended and Restated Limited Liability Company Agreement (the "Prior Agreement") to provide for the regulation and management of the Company; and

WHEREAS, the parties hereto desire to amend and restate the Prior Agreement in its entirety as set forth herein.

NOW, THEREFORE, in consideration of the covenants, conditions and agreements contained herein, the parties hereto hereby amend and restate in its entirety the Prior Agreement as follows:

ARTICLE I.
DEFINITIONS

Section 1.01 *Definitions*.

As used in this Agreement, the following terms have the respective meanings set forth below or set forth in the Sections referred to below:

"Acceptance Notice" has the meaning given such term in Section 5.01(b).

"Allocation Year" means (a) the Company's taxable year for U.S. federal income tax purposes, or (b) any portion of the period described in clause (a) for which the Company is required to allocate Profits, Losses, and other items of Company income, gain, loss or deduction for U.S. federal income tax purposes.

"Adjusted Capital Account Deficit" means, with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the relevant fiscal year, after giving effect to the following adjustments:

(a) Credit to such Capital Account any amounts which such Member is obligated to restore pursuant to any provision of this Agreement or pursuant to Treasury Regulation Section 1.704-1(b)(2)(ii)(c) or is deemed to be obligated to restore pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5); and

(b) Debit to such Capital Account the items described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), and 1.704-1(b)(2)(ii)(d)(6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and shall be interpreted consistently therewith.

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question. As used herein, the term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise. Without limiting the foregoing, for purposes of this Agreement, any Person that, individually or together with its Affiliates, has the direct or indirect right to designate or cause the designation of at least one Director, and any such Person's Affiliates, shall be deemed to be Affiliates of the Company. Notwithstanding anything in the foregoing to the contrary, the Coady Group and their respective Affiliates (other than the Company or any Group Member), on the one hand, NGL Holdings and its Affiliates (other than the Company or any Group Member), on another hand, the IEP Group and their respective Affiliates (other than the Company or any Group Member), on another hand, and SemStream and its Affiliates (other than the Company or any Group Member), on the other hand, will not be deemed to be Affiliates of one another hereunder unless there is a basis for such Affiliation independent of their respective Affiliation with any Group Member, the Company or any Affiliate (disregarding the immediately preceding sentence) of any Group Member or the Company. In addition, with respect to the Coady Group, (i) each member of the Coady Group shall be deemed to be an Affiliate of the other and (ii) each of Shawn Coady and Todd Coady shall be an Affiliate of each other and an Affiliate of each member of the Coady Group and their respective Affiliates.

"Agreement" has the meaning given such term in the introductory paragraph, as the same may be amended from time to time.

"Atkinson" has the meaning given such term in the introductory paragraph.

"Available Cash" means, with respect to any Quarter ending prior to a Dissolution Event,

(a) the sum of all cash and cash equivalents of the Company on hand on the date of the determination of Available Cash for such Quarter, *less*

(b) the amount of any cash reserves that are established by the Board to (i) provide for the proper conduct of the business of the Company (including reserves for future capital expenditures and for anticipated future credit needs of the Company) subsequent to such Quarter and (ii) comply with applicable law or any loan agreement, security agreement, mortgage, debt instrument or other agreement or obligation to which the Company is a party or by which it is bound or its assets are subject; *provided*, *however*, that disbursements made by the Company or cash reserves established, increased or reduced after the end of such Quarter, but on or before the date of determination of Available Cash with respect to such Quarter, shall be deemed to have been made, established, increased or reduced, for purposes of determining Available Cash, within such Quarter if the Board so determines.

Notwithstanding the foregoing, "Available Cash" with respect to the Quarter in which a Dissolution Event occurs and any subsequent Quarter shall equal zero.

"Board" means the board of directors of the Company.

"Board Observer" has the meaning given such term in Section 9.02(c).

"Business Day" means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the State of New York shall not be regarded as a Business Day.

"Capital Account" shall mean the capital account determined and maintained for each Member in accordance with Sections 7.05, 8.02 and 8.03.

"Capital Contribution" means any cash, cash equivalents or the net fair market value of contributed property that a Member contributes to the Company or that is contributed or deemed contributed to the Company on behalf of a Member.

"Certificate of Formation" has the meaning given such term in the Recitals.

"Certified Public Accountants" means an independent public accounting firm registered with the Public Company Accounting Oversight Board selected from time to time by the Board.

"Coady Enterprises" has the meaning given such term in the introductory paragraph.

"Coady Group" has the meaning given such term in the introductory paragraph.

"Coady Representative" has the meaning given such term in Section 9.02(b)(i).

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Commission" means the Securities and Exchange Commission.

"Commitment" has the meaning set forth in Section 5.05(b).

"Company" has the meaning given such term in the introductory paragraph.

"Company Minimum Gain" means the amount of "partnership minimum gain" determined in accordance with the principles of Treasury Regulation Sections 1.704-2(b)(2) and 1.704-2(d).

"Contribution, Purchase and Sale Agreement" means that certain Contribution, Purchase and Sale Agreement, dated as of September 30, 2010, by and among the Company, the Partnership, Hicks Oils & Hicksgas, Incorporated, an Indiana corporation, Hicksgas Gifford, Inc., an Indiana corporation (together with its successors), Gifford Holdings, Inc., an Indiana corporation, NGL Supply, Inc., an Oklahoma corporation (together with its successors, "NGLS"), NGL Holdings, the other stockholders of NGLS identified on the signature pages thereto, Krim2010, LLC, an Oklahoma limited liability company, Atkinson and ICM, together with the additional conveyance documents and instruments contemplated or referenced thereunder, as such may be amended, supplemented or restated from time to time.

"Delaware Act" means the Delaware Limited Liability Company Act, 6 Del C. Section 18-101, et seq., as amended, supplemented or restated from time to time, and any successor to such statute.

"Denham Employee" has the meaning given such term in Section 12.04(c).

"Depreciation" means, for each Allocation Year, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Allocation Year, except that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Allocation Year, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction for such Allocation Year bears to such beginning adjusted tax basis; *provided*, *however*, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such Allocation Year is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board.

"Designating Member" means each of (1) the Coady Group (acting together in their capacities as Members), (2) NGL Holdings, (3) the IEP Group (acting together in their capacities as Members), (4) SemStream and (5) any Transferee of the right to designate a Representative pursuant to Section 4.01(b), in each case only for so long as such Designating Member continues to hold a Requisite Ownership Threshold.

"Director" or "Directors" has the meaning given such term in Section 9.02(a)(i).

"Divorce Notice" has the meaning given such term in Section 5.04.

"Divorce Units" has the meaning given such term in Section 5.04.

"Divorced Member" has the meaning given such term in Section 5.04.

"Divorced Spouse" has the meaning given such term in Section 5.04.

"Drag-Along Member Group" means one or more Significant Members whose aggregate Ownership Percentage is at least 80%.

"Drag-Along Notice" has the meaning given such term in Section 5.02(c).

"Drag-Along Right" has the meaning given such term in Section 5.02(a).

"Drag-Along Sale" has the meaning given such term in Section 5.02(a).

"Drag-Along Transferee" has the meaning given such term in Section 5.02(a).

"Dissolution Event" means an event of dissolution of the Company pursuant to Section 15.01.

"Encumbers," "Encumbering" or "Encumbrances" means pledges, restrictions on transfer, proxies and voting or other agreements, liens, claims, charges, mortgages, security interests or other legal or equitable encumbrances, limitations or restrictions of any nature whatsoever.

"Equity Interests" means all shares, participations, capital stock, partnership or limited liability company interests, units, participations or similar equity interests issued by any Person, however designated.

"First Refusal Offer" has the meaning given such term in Section 5.01(a).

"First Refusal Units" has the meaning given such term in Section 5.01 (a).

"Fully-Exercising Member" has the meaning set forth in Section 5.05(b).

"GAAP" means United States generally accepted accounting principles, as amended from time to time.

"Gross Asset Value" means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:

(a) The initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of the asset, as determined by the contributing Member and the Board, in a manner that is consistent with Section 7701(g) of the Code;

(b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board, in a manner that is consistent with Section 7701(g) of the Code, as of the following times: (i) the acquisition of an additional Membership Interest by any new or existing Member in exchange for more than a de minimis Capital Contribution or for the provision of services; (ii) the distribution by the Company to a Member of more than a de minimis amount of property other than money as consideration for a Membership Interest; and (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); *provided*, *however*, that adjustments pursuant to clauses (i) and (ii) above shall be made only if the Board reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company;

(c) The Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value (taking Section 7701(g) of the Code into account) of such asset on the date of distribution; and

(d) The Gross Asset Values of any Company assets shall be increased (or decreased) to reflect any adjustments to the adjusted basis of such assets pursuant to Section 734(b) of the Code or Section 743(b) of the Code, but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m) and the definition of Capital Account hereof; *provided, however*, that Gross Asset Values shall not be adjusted pursuant to this subparagraph (d) to the extent the Board determines that an adjustment pursuant to the foregoing subparagraph (b) of this definition is necessary or appropriate in connection with a transaction that would otherwise result in an adjustment pursuant to this subparagraph (d).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to the foregoing subparagraphs (a), (b) or (d), such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

"Group Member" means a member of the Partnership Group.

"Group Member Agreement" means the partnership agreement of any Group Member, other than the Partnership, that is a limited or general partnership, the limited liability company agreement of any Group Member that is a limited liability company, the certificate of incorporation and bylaws or similar organizational documents of any Group Member that is a corporation, the joint venture agreement or similar governing document of any Group Member that is a joint venture and the governing or organizational or similar documents of any other Group Member that is a Person other than a limited or general partnership, limited liability company, corporation or joint venture, as such may be amended, supplemented or restated from time to time.

"ICM" has the meaning given such term in the introductory paragraph.

"IEP Group" has the meaning given such term in the introductory paragraph.

"IEP Group Representative" has the meaning given such term in Section 9.02(b)(iii).

"Indemnitee" means (a) any Member, (b) any Person who is or was a director, officer, fiduciary, trustee, manager or managing member of the Company, any Group Member or a Member, (c) any Person who is or was serving at the request of a Member as a director, officer, fiduciary, trustee, manager or managing member of another Person owing a fiduciary duty to the Company or any Group Member; *provided* that a Person shall not be an Indemnitee by reason of providing, on a fee-for-services basis, trustee, fiduciary or custodial services, (d) any Person who controls a Member and (e) any Person the Board designates as an "Indemnitee" for purposes of this Agreement.

"Krimbill GP" has the meaning given such term in the introductory paragraph.

"Liquidator" has the meaning given such term in Section 15.02.

"Majority Interest" means greater than 50% of the outstanding Units.

"Member" means any Person executing this Agreement as of the Date hereof as a member of the Company or hereafter admitted to the Company as a member as provided in this Agreement, but such term does not include any Person who has ceased to be a member of the Company.

"Member Nonrecourse Debt" has the meaning of "partner nonrecourse debt" set forth in Treasury Regulation Section 1.704-2(b)(4).

"Member Nonrecourse Debt Minimum Gain" has the meaning of "partner nonrecourse debt minimum gain" set forth in Treasury Regulation Section 1.704-2(i)(2).

"Member Nonrecourse Deductions" means any and all items of loss, deduction or expenditure (including any expenditure described in Section 705(a)(2)(B) of the Code) that, in accordance with the principles of Treasury Regulation Section 1.704-2(i), are attributable to a Member Nonrecourse Debt.

"Member's Owners" has the meaning given such term in Section 3.06(g).

"Membership Interest" means the ownership interest of a Member in the Company, which may be evidenced by Units or other Equity Interests or a combination thereof or interest therein, and includes any and all benefits to which such Member is entitled as provided in this Agreement, together with all obligations of such Member to comply with the terms and provisions of this Agreement.

"New Interests" means (a) any Membership Interests, (b) any rights, options, or warrants to purchase any such Membership Interests, or to purchase any securities of any type whatsoever that are, or may become, convertible into any such Membership Interests, and (c) any securities of the Company of any type whatsoever that are, or may become, convertible into any such Membership Interests; provided, however, that "New Interests" shall not include (i) securities offered pursuant to a Public Offering, (ii) options, restricted stock, warrants or other securities to acquire Membership Interests issued to employees, officers, directors and consultants of the

Company pursuant to an equity plan approved by the Board and the issuance of Membership Interests upon exercise of such options, restricted stock, warrants or other securities in accordance with their terms, or such other issuance to employees pursuant to a bonus plan under any employment agreement therewith, (iii) Membership Interests issued on an arms-length basis in connection with any joint venture, corporate partnering or similar strategic transaction approved by the Board, and (iv) Membership Interests issued on an arms-length basis in connection with any merger, acquisition, reorganization or purchase of all or substantially all of such other Person's assets, or by other reorganization.

"NGL Holdings" has the meaning given such term in the introductory paragraph.

"NGL Holdings Representative" has the meaning given such term in Section 9.02(b)(ii).

"Non-Election Notice" has the meaning given such term in Section 5.04.

"Non-Transferring Significant Members" has the meaning given such term in Section 5.01(a).

"Nonrecourse Deductions" means any and all items of loss, deduction or expenditure (including any expenditure described in Section 705(a)(2)(B) of the Code) that, in accordance with the principles of Treasury Regulation Section 1.704-2(b), are attributable to a Nonrecourse Liability.

"Nonrecourse Liability" has the meaning set forth in Treasury Regulation Section 1.752-1(a)(2).

"Opinion of Counsel" means a written opinion of counsel (who may be regular counsel to the Company or any of its Affiliates) acceptable to the Board.

"Ownership Percentage" shall mean, with respect to a Member, a percentage obtained by dividing (i) the number of Units owned by such Member by (ii) the total number of outstanding Units owned by all Members.

"Partnership" means NGL Energy Partners LP, a Delaware limited partnership (f/k/a Silverthorne Energy Partners LP).

"Partnership Group" means the Partnership and its Subsidiaries treated as a single consolidated entity.

"Partnership LP Agreement" means that certain Second Amended and Restated Agreement of Limited Partnership of NGL Energy Partners LP, as amended, restated, supplemented or otherwise modified from time to time.

"Partnership Units" means the common units and subordinated units representing limited partnership interests of the Partnership.

"Permitted Encumbrances" means (a) Encumbrances for taxes not yet delinquent or being contested in good faith by appropriate proceedings, (b) statutory Encumbrances (including

materialmen's, warehousemen's, mechanic's, repairmen's, landlord's, and other similar liens) arising in the ordinary course of business and securing payments not yet delinquent or being contested in good faith by appropriate proceedings, (c) Encumbrances of public record (other than for indebtedness for borrowed money), (d) the rights of lessors and lessees under leases, and the rights of third parties under any agreement, executed in the ordinary course of business, (e) the rights of licensors and licensees under licenses executed in the ordinary course of business, (f) purchase money Encumbrances and Encumbrances securing rental payments under capital lease arrangements, and (g) any Encumbrances created pursuant to construction, operating, maintenance or similar agreements.

"Permitted Transfer" means:

(a) with respect to any Member that is not a natural person or a trust, a Transfer by such a Member to its Affiliate; *provided* that such Affiliate remains an Affiliate of such Member at all times following such Transfer, it being acknowledged that any cessation of the Affiliation between such Member and such Affiliate shall be deemed a new Transfer of such Membership Interests that is subject to the restrictions set forth in Article IV and Article V; *provided further*, that any Transfer to an Affiliate that is (i) an entity that engages or may engage, directly or indirectly through one or more Subsidiaries, in business that competes with the Company or the Partnership Group or (ii) a Person that holds, directly or indirectly, 10% or more of the Equity Interests (or other security convertible into or exercisable for such Equity Interests) of an entity described in clause (i) above, will not be a "Permitted Transfer" hereunder;

(b) (i) with respect to any Member who is a natural person, a Transfer by such a Member to (x) such Person's spouse or the estate or any ancestor, descendant, child or step-child of such Person or of such Person's spouse, (y) any trust, family limited partnership or family limited liability company for the benefit of the Persons identified in subclause (x), or (z) any entity in which such Person, or Persons which have a relationship to such Person set forth in subclauses (x) or (y) above, directly or indirectly, collectively controls and owns a majority of the voting Equity Interests of such entity, *provided* that such entity (A) does not and will not engage, directly or indirectly through one or more Subsidiaries, in business that competes with the Company or the Partnership Group or (B) does not hold, directly or indirectly, 10% or more of the Equity Interests (or other security convertible into or exercisable for such Equity Interests) of an entity described in clause (A) above; and (ii) with respect to any Member that is a trust, a Transfer by such a Member to the settlor of such trust or any Person who has, or any group of Persons who collectively have, a substantial beneficial interest in such trust;

(c) with respect to each member of the Coady Group and the IEP Group, a Transfer by such a Member to the sole member of that Member or to (x) such sole member's spouse or the estate or any ancestor, descendant, child or step-child of such sole member or of such sole member's spouse, (y) any trust, family limited partnership or family limited liability company for the benefit of the Persons identified in subclause (x), or (z) any entity in which such sole member, or Persons which have a relationship to such Person set forth in subclauses (x) or (y) above, directly or indirectly, collectively controls and owns a majority of the voting Equity Interests of such entity; *provided* that such

entity (A) does not and will not engage, directly or indirectly through one or more Subsidiaries, in business that competes with the Company or the Partnership Group or (B) does not hold, directly or indirectly, 10% or more of the Equity Interests (or other security convertible into or exercisable for such Equity Interests) of an entity described in clause (A) above;

(d) a Transfer of up to seven percent (7%) of the aggregate Membership Interests held by all Members as of the date of the Transfer to any Person in connection with the acquisition of retail propane businesses by the Partnership or an Affiliate thereof; or

(e) a Transfer previously approved by the Board in accordance with Section 9.04.

"Person" means an individual or a corporation, firm, limited liability company, partnership, joint venture, trust, unincorporated organization, association, government agency or political subdivision thereof or other entity.

"Prior Agreement" has the meaning given such term in the Recitals.

"Profits" and "Losses" means, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Section 703(a) of the Code (for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code shall be included in taxable income or loss), with the following adjustments:

(a) Any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;

(b) Any expenditures of the Company described in Section 705(a)(2)(B) of the Code, and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be subtracted from such taxable income or loss;

(c) In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (b) or of the definition of Gross Asset Value hereof, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(d) Gain or loss resulting from any disposition of property (other than money) with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the property disposed of notwithstanding that the adjusted tax basis of such property differs from its Gross Asset Value;

(e) In lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such fiscal year or other period, computed in accordance with the definition of Depreciation hereof; and

(f) Notwithstanding any other provision of this definition of "Profits" and "Losses," any items which are specially allocated pursuant to Section 8.03 shall not be taken into account in computing Profits or Losses.

"Proposed Seller" has the meaning given such term in Section 5.01(a).

"Proposed Transferee" has the meaning given such term in Section 5.01(c).

"Public Offering" means any sale of the Company's equity securities pursuant to an effective registration statement under the Securities Act, or any successor act thereto, filed with the Securities and Exchange Commission; provided that the following will not be considered a public offering: (i) any issuance of common equity securities by the Company as consideration for a merger or acquisition, (ii) any issuance of common equity securities to employees, directors or consultants of the Company or any of its Affiliates as part of an incentive or compensation plan, (iii) any issuance of common equity securities as part of a unit with debt or preferred equity or any similar structure in which the common equity securities are being offered primarily as a means of enhancing the Company's ability to sell the debt or preferred equity or (iv) the issuance of common equity by the Company upon conversion of any preferred equity of the Company.

"Quarter" means, unless the context requires otherwise, a fiscal quarter of the Company.

"Refusal Period" has the meaning given such term in Section 5.01(a).

"Representative" has the meaning given such term in Section 9.02(b).

"Required Allocations" has the meaning given such term in Section 8.03(i).

"Requisite Ownership Threshold" means, (i) with respect to any Designating Member (excluding SemStream), an aggregate number of Units held by such Member and its Affiliates which equal an Ownership Percentage of not less than ten percent (10%) and (ii) with respect to SemStream, an aggregate number of Partnership Units of not less than 2,500,000 (subject to adjustment for unit split, reverse split and similar transaction).

"Sale Price" has the meaning given such term in Section 5.01(a).

"Securities Act" means the Securities Act of 1933, as amended.

"Seller's Notice" has the meaning given such term in Section 5.01(a).

"SemStream" means SemStream L.P., a Delaware limited partnership.

"SemStream Contribution Agreement" means that certain Contribution Agreement dated as of August 31, 2011 by and among SemStream, the Company, the Partnership and NGL Supply Terminal Company LLC, as amended from time to time.

"Significant Member" means each Member whose Ownership Percentage is at least 3%.

"Subsidiary" means, with respect to any Person, (a) a corporation of which more than 50% of the voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors or other governing body of such corporation is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person or a combination thereof, (b) a partnership (whether general or limited) in which such Person or a Subsidiary of such Person is, at the date of determination, a general or limited partner of such partnership, but only if more than 50% of the partnership interests of such partnership (considering all of the partnership interests of the partnership as a single class) is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person, or a combination thereof, or (c) any other Person (other than a corporation or a partnership) in which such Person, one or more Subsidiaries of such Person, or a combination thereof, directly or indirectly, at the date of determination, has (i) at least a majority ownership interest or (ii) the power to elect or direct the election of a majority of the directors or other governing body of such Person.

"Tag-Along Member" has the meaning given such term in Section 5.03(a).

"Tag-Along Notice" has the meaning given such term in Section 5.03(c).

"Tag-Along Rights" has the meaning given such term in Section 5.03(a).

"Tag-Along Sale" has the meaning given such term in Section 5.03(a).

"Tag-Along Transferee" has the meaning given such term in Section 5.03(a).

"Tax Matters Member" has the meaning given such term in Section 13.03(a).

"Thorndike" has the meaning given such term in the introductory paragraph.

"Transfer" means, with respect to any Membership Interest, any direct or indirect transfer, sale, assignment, gift, pledge, Encumbrance, hypothecation, mortgage, exchange or any other disposition by law or otherwise. Without limiting the generality of the foregoing, with respect to any Person that is not a natural person, any distribution, transfer, assignment or other disposition of any Membership Interest, whether voluntary, involuntary or pursuant to any dissolution, liquidation or termination of such Person, to such Person's members, shareholders, partners or other interestholders shall constitute a "Transfer." For the avoidance of doubt, with respect to a Member that is not a natural person, any transfer, sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, exchange or other disposition of any interest in such Member, by such Member or any interestholder of such Member shall be deemed to be an indirect Transfer of Membership Interests hereunder.

"Transferee" means a Person who has received Units by means of a Transfer.

"Treasury Regulations" means the regulations (including temporary regulations) promulgated by the United States Department of the Treasury pursuant to and in respect of provisions of the Code. All references herein to sections of the Treasury Regulations shall include any corresponding provision or provisions of succeeding, similar or substitute, temporary or final Treasury Regulations.

"Units" has the meaning set forth in Section 3.01(a).

Section 1.02 *Construction*.

Unless the context requires otherwise: (a) any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms; (b) references to Articles and Sections refer to Articles and Sections of this Agreement; (c) the terms "include", "includes", "including" or words of like import shall be deemed to be followed by the words "without limitation"; and (d) the terms "hereof", "herein" or "hereunder" refer to this Agreement as a whole and not to any particular provision of this Agreement. The headings contained in this Agreement are for reference purposes only, and shall not affect in any way the meaning or interpretation of this Agreement.

ARTICLE II.
ORGANIZATION

Section 2.01 *Formation*.

The Company has previously been formed as a limited liability company pursuant to the provisions of the Delaware Act, and the Members party hereto hereby amend and restate the Prior Agreement in its entirety. This amendment and restatement shall become effective on the date of this Agreement. Except as expressly provided to the contrary in this Agreement, the rights, duties (including fiduciary duties), liabilities and obligations of the Members and the administration, dissolution and termination of the Company shall be governed by the Delaware Act. All Membership Interests shall constitute personal property of the owner thereof for all purposes.

Section 2.02 *Name*.

The name of the Company shall be "NGL Energy Holdings LLC." The Company's business may be conducted under any other name or names as determined by the Board. The words "limited liability company," "LLC," "L.L.C." or similar words or letters shall be included in the Company's name where necessary for the purpose of complying with the laws of any jurisdiction that so requires. The Board may change the name of the Company at any time and from time to time.

Section 2.03 *Registered Office; Registered Agent; Principal Office; Other Offices*.

Unless and until changed by the Board, the registered office of the Company in the State of Delaware shall be located at 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, and the registered agent for service of process on the Company in the State of Delaware at such registered office shall be The Corporation Trust Company. The principal office of the Company shall be located at 6120 S. Yale, Suite 805, Tulsa, OK 74136, or such other place as the Board may from time to time designate by notice to the Members. The primary management and administrative operations of the Partnership's retail propane division shall be located in central Illinois, and the primary management and administrative operations of the Partnership's wholesale propane and terminaling divisions shall be located in Tulsa, Oklahoma. The Company may maintain offices at such other place or places within or outside the State of Delaware as the Board determines to be necessary or appropriate.

Section 2.04 *Purposes*.

The purposes of the Company are (i) to act as the general partner of the Partnership (and acquire, hold and dispose of partnership interests and related rights in the Partnership) and only undertake activities that are ancillary or related thereto, (ii) to act as a managing member or general partner of any Subsidiary of the Partnership that is a limited liability company or partnership and (iii) in connection with acting in such capacities, to carry on any lawful business or activity.

Section 2.05 *Powers*.

The Company shall be empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described in Section 2.04 and for the protection and benefit of the Company or the Partnership Group.

Section 2.06 *Term*.

The term of the Company commenced upon the filing of the Original Certificate in accordance with the Delaware Act and shall continue in existence until the dissolution of the Company in accordance with the provisions of Article XV. The existence of the Company as a separate legal entity shall continue until the cancellation of the Certificate of Formation as provided in the Delaware Act.

Section 2.07 *Title to Company Assets*.

Title to the Company's assets, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Company as an entity and/or the Partnership Group, and no Member, individually or collectively, shall have any ownership interest in such Company assets or any portion thereof.

ARTICLE III.
MEMBERSHIP INTERESTS; UNITS

Section 3.01 *Membership Interests; Additional Members*.

(a) The Members own Membership Interests in the Company that shall be represented by units ("Units"). The Units shall be uncertificated, unless the Board determines pursuant to Section 9.04(a) to have the Company issue certificates for the Units. In exchange for each Member's Capital Contribution to the Company referred to in Section 7.01, the Company shall issue to each Member the number of Units set forth opposite such Member's name on Exhibit A.

(b) The Company may issue additional Membership Interests and options, rights, warrants and appreciation rights relating to the Membership Interests for any Company purpose at any time and from time to time to such Persons for such consideration and on such terms and conditions as the Board shall determine in accordance with Section 9.04.

(c) Each additional Membership Interest authorized to be issued by the Company pursuant to Section 3.01(b) may be issued in one or more classes, or one or more series of any such classes, with such designations, preferences, rights, powers and duties (which may be senior to existing classes and series of Membership Interests), as shall be fixed by the Board in accordance with Section 9.04, including (i) the right to share in Company profits and losses or items thereof; (ii) the right to share in Company distributions; (iii) the rights upon dissolution and liquidation of the Company; (iv) whether, and the terms and conditions upon which, the Company may, or shall be required to, redeem the Membership Interest (including sinking fund provisions); (v) whether such Membership Interest is issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange; (vi) the terms and conditions upon which each Membership Interest will be issued, evidenced by certificates and assigned or transferred; and (vii) the right, if any, of each such Membership Interest to vote on Company matters, including matters relating to the relative rights, preferences and privileges of such Membership Interest.

(d) The Board shall take all actions that it determines to be necessary or appropriate in connection with (i) each issuance of Membership Interests and options, rights, warrants and appreciation rights relating to Membership Interests pursuant to this Section 3.01, (ii) reflecting the admission of such additional Members in the books and records of the Company as the record holder of such Membership Interest and (iii) all additional issuances of Membership Interests, in each case including amending this Agreement and Exhibit A hereof as necessary to reflect any such issuance. The Board, acting pursuant to Section 9.04, shall determine the relative rights, powers and duties of the holders of the Units or other Membership Interests being so issued. The Board shall do all things necessary to comply with the Delaware Act and is authorized and directed to do all things that it determines to be necessary or appropriate in connection with any future issuance of Membership Interests pursuant to the terms of this Agreement, including compliance with any statute, rule, regulation or guideline of any governmental agency.

Section 3.02 *No Liability of Members*.

The Members shall have no liability under this Agreement except as expressly provided in this Agreement or the Delaware Act.

Section 3.03 *Withdrawal of Members*.

No Member shall have any right to withdraw from the Company; *provided*, *however*, that when a Transferee of a Membership Interest becomes registered on the books and records of the Company as the Member with respect to the Membership Interest so transferred, the transferring Member shall cease to be a Member with respect to the Membership Interest so Transferred.

Section 3.04 *Record Holders*.

The Company shall be entitled to recognize the Person in whose name any Membership Interest is registered on the books and records of the Company as the Member with respect to

any Membership Interest and, accordingly, shall not be bound to recognize any equitable or other claim to, or interest in, such Membership Interest on the part of any other Person, regardless of whether the Company shall have actual or other notice thereof, except as otherwise provided by law or any applicable rule, regulation or guideline of any governmental agency.

Section 3.05 *No Appraisal Rights*.

No Member shall be entitled to any valuation, appraisal or similar rights with respect to such Member's Units, whether individually or as part of any class or group of Members, in the event of a merger, consolidation, sale of the Company or other transaction involving the Company or its securities unless such rights are expressly provided by the agreement of merger, agreement of consolidation or other document effectuating such transaction.

Section 3.06 *Representations and Warranties*.

Each Member hereby represents and warrants to the Company and each other Member that:

(a) Power and Authority. If such Member is not a natural person, such Member has all requisite power and authority to enter into this Agreement and to carry out his or its obligations hereunder. If such Member is not a natural person, the execution, delivery and performance by such Member of this Agreement have been duly authorized by all requisite action on the part of such Member, and no other action or proceeding on the part of such Member or any Affiliate thereof is necessary to consummate the transactions contemplated by this Agreement.

(b) No Conflicts. Neither the execution and delivery by such Member of this Agreement, nor the performance by such Member under this Agreement will (a) with respect to any Member that is not a natural person, violate, conflict with or result in a breach of any provision of the governing documents of such Member; (b) require any consent or approval of any counterparty to, or violate or result in any breach of or constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, or give to others any right of termination, cancellation, amendment or acceleration of any obligation or the loss of any benefit under, any material agreement or arrangement to which such Member is a party or by which it is, or its assets are, bound; (c) result in the creation of an Encumbrance upon or require the sale or give any Person the right to acquire any of the assets of such Member; or (d) violate or conflict with any law applicable to such Member.

(c) Contributed Property. All property, assets or interests contributed to the Company by such Member, and any property thereafter to be contributed to the Company by such Member, has been or will be duly and lawfully acquired.

(d) Investment Intent. Such Member is acquiring the Membership Interests for investment for its own account and not with a view to, or for sale in connection with, any distribution thereof. Such Member (either alone or together with its advisors) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Membership Interests and is capable of bearing the economic risks of such investment. Such Member is aware that the Membership Interests have not been registered, and will not be registered, under the Securities Act or under any state or foreign securities laws.

(e) No Registration Rights. Such Member is aware that only the Company can take action to register Units in the Company under the Securities Act, and that the Company is under no such obligation and does not propose or intend to attempt to do so.

(f) Transfer Restrictions. Such Member is aware that this Agreement provides restrictions on the ability of a Member to Transfer Units, and such Member will not seek to effect any Transfer other than in accordance with such restrictions.

(g) Accredited Investor. Such Member and, if such Member is not a natural person, each member, shareholder or other equity holder of such Member (collectively, "Member's Owners"), is, and at such time that it makes any additional Capital Contributions to the Company will be, an "accredited investor" (as such term is used in Rule 501 under the Securities Act), is able to bear the economic risk of its investment in the Membership Interests and has sufficient net worth to sustain a loss of its entire investment in the Company without economic hardship if such loss should occur. Each Questionnaire completed by such Member and, if applicable, each Member's Owner, in the form attached as Exhibit C (as updated from time to time) is true and correct and incorporated herein by reference.

(h) Access to Information. Such Member and, if applicable, each of such Member's Owners has had an opportunity to ask questions and discuss the Company's business, management and financial affairs with the Company, and such questions were answered to its satisfaction. Such Member and, if applicable, each of such Member's Owners acknowledges that it is familiar with all aspects of the Company's business.

ARTICLE IV.
TRANSFERS OF UNITS

Section 4.01 *Transfers Generally*.

(a) No Membership Interest shall be Transferred, in whole or in part, except in accordance with the terms and conditions set forth in this Article IV and Article V. No Transfer of any Membership Interests shall be made if such Transfer would (i) violate the then-applicable federal or state securities laws or rules and regulations of the Commission, any state securities commission or any other governmental authority with jurisdiction over such Transfer, (ii) terminate the existence or qualification of the Company under the laws of the jurisdiction of its formation, (iii) cause the Company to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for federal income tax purposes (to the extent not already so treated or taxed) or (iv) constitute a breach or violation of, or a change of control or event of default under, any credit agreement, loan agreement, indenture, mortgage, deed of trust or other similar instrument or document governing indebtedness for borrowed money of the Company or any Group Member. Any Transfer or purported Transfer of a Membership Interest not made in accordance with this Article IV and Article V shall be, to the fullest extent permitted by law, null and void.

(b) No Membership Interest shall be Transferred, in whole or in part, except for (i) a Permitted Transfer in accordance with the applicable provisions of this Article IV or (ii) Transfers in accordance with the applicable provisions of Article V and this Article IV. Notwithstanding any other provision of this Agreement, a Designating Member's right to designate a Representative, as provided in Section 9.02(b), shall not be assigned or Transferred (including in a Permitted Transfer) except as part of a Transfer permitted under the terms of this Agreement to one Transferee holding a number of Units constituting an Ownership Percentage of not less than ten percent (10%) provided that such Designating Member expressly elects in writing delivered to the Company prior to such Transfer that such Designating Member will Transfer such right to designate a Representative to such Transferee in connection with such Transfer; provided, however, in no event shall SemStream be entitled to Transfer its right to designate a Representative. For avoidance of doubt, in the case of any Transfer of Units constituting an Ownership Percentage of not less than ten percent (10%) where the transferring Designating Member expressly elects to Transfer the right to designate a Representative, such transferring Member shall cease to have any such designation rights, and shall no longer be deemed a Designating Member, notwithstanding that after giving effect to such Transfer such transferring Member continues to hold the Requisite Ownership Threshold.

(c) No Transfer (including a Permitted Transfer) may be undertaken unless and until the following have occurred: (i) the proposed Transferee shall have agreed in writing to be bound by the terms of this Agreement and provided to the Board its name, address, taxpayer identification number and any other information reasonably necessary to permit the Company to file all required federal and state tax returns or reasonably requested by the Board and (ii) the Member proposing to make such Transfer shall have delivered to the Company an Opinion of Counsel (reasonably acceptable as to form, substance and identity of counsel to the Company) that no registration under the Securities Act is required in connection with such Transfer (unless the requirement of an opinion is waived by the Board).

(d) By acceptance of the Transfer of any Membership Interest in accordance with this Article IV and Article V, the Transferee of a Membership Interest shall be admitted as a Member with respect to the Membership Interests so Transferred to such Transferee when any such Transfer or admission is reflected in the books and records of the Company.

(e) Each Member making a Transfer shall be obligated to pay his or its own expenses incurred in connection with such Transfer, and the Company shall not have any obligation with respect thereto. Subject to Section 5.02(d), each Member making a Transfer shall pay, or reimburse the Company for, all reasonable costs and expenses incurred by the Company in connection with such Transfer and the admission of the Transferee as a Member, including the legal fees incurred in connection with the legal opinions referred to in Section 4.01(c).

Section 4.02 *Specific Performance*.

The Members acknowledge and agree that an award of money damages would be inadequate for any breach of the provisions of this Article IV or Article V and any such breach would cause the non-breaching parties irreparable harm. Accordingly, the Members agree that, in the event of any breach or threatened breach of this Article IV or Article V by a Member, the Members, to the fullest extent permitted by law, will also be entitled, without the requirement of

posting a bond or other security, to equitable relief, including injunctive relief and specific performance; *provided* such Member is not in material default hereunder. Such remedies will not be the exclusive remedies for any breach of this Article IV or Article V but will be in addition to all other remedies available at law or equity to each of the Members.

ARTICLE V.
RIGHTS UPON A PROPOSED TRANSFER

Section 5.01 *Right to Purchase*.

(a) Except for a Permitted Transfer or any proposed Transfer governed by Section 5.02 or Section 5.04, no Membership Interest shall be Transferred, in whole or in part, unless the provisions of this Section 5.01 are first complied with by such transferor and transferee. A Member who desires to make such a Transfer (or to whom such a Transfer relates) (the "Proposed Seller") shall provide a written notice (the "Seller's Notice") to each Significant Member (with a copy to the Company), containing: (i) the number of Units proposed to be Transferred (the "First Refusal Units") and the per Unit purchase price such Proposed Seller requests in consideration therefor, which may only be in cash (the "Sale Price"), and (ii) the material terms and conditions of such proposed Transfer, together with a description of the price and other material terms of all bona fide offers from third parties relating to the purchase of such Proposed Seller's Membership Interests received, if any, during the six months prior to the delivery of the Seller's Notice. Delivery of the Seller's Notice to the Significant Members shall constitute an offer (a "First Refusal Offer") by the Proposed Seller to sell the First Refusal Units at the Sale Price to the Significant Members entitled to receive such notice (the "Non-Transferring Significant Members"), which shall remain outstanding for a period of thirty (30) days after the delivery of the Seller's Notice as provided above in this paragraph (subject to extension as provided below, the "Refusal Period").

(b) Each Non-Transferring Significant Member shall have the right to accept the First Refusal Offer in the proportions upon which it may agree with the other participating Non-Transferring Significant Members or, if they are unable to so agree, on a pro rata basis in accordance with the number of Units owned by each such participating Non-Transferring Significant Member in relation to the total number of Units owned by all such participating Non-Transferring Significant Members, by giving written notice to the Proposed Seller (an "Acceptance Notice"), with a copy to each other Non-Transferring Significant Member and the Company of its acceptance of the First Refusal Offer with respect to such proportion of the First Refusal Units at the Sale Price and on the same terms specified in the Seller's Notice. If the participating Non-Transferring Significant Members do not elect to purchase, in the aggregate, all of the First Refusal Units, then the Proposed Seller shall, within five (5) days after the expiration of the Refusal Period, provide written notice to all of the participating Non-Transferring Significant Members informing them of the number of First Refusal Units that were not subscribed for, and the Refusal Period shall be automatically extended by five (5) days from the delivery of such notice by the Proposed Seller, during which such Non-Transferring Significant Members may increase the number of First Refusal Units they previously elected to purchase by providing amended Acceptance Notices to the Proposed Seller, with a copy to each other Non-Transferring Significant Member and the Company, to purchase up to all of the remaining First Refusal Units. If the aggregate number of Units included in the Acceptance Notices, as amended, exceeds the number of First Refusal Units, the Non-Transferring

Significant Members that submitted amended Acceptance Notices shall revise their amended Acceptance Notices to eliminate such excess as agreed to by such Non-Transferring Significant Members or, if they are unable to so agree, such that the previously unsubscribed amount is allocated among such Non-Transferring Members on a pro rata basis in accordance with the number of Units owned by each such Non-Transferring Significant Member in relation to the total number of Units owned by all such Non-Transferring Significant Members. A failure by any Non-Transferring Significant Member to validly deliver an Acceptance Notice during the Refusal Period shall be deemed a rejection of the First Refusal Offer and a waiver of such Non-Transferring Significant Member's right to purchase any portion of the First Refusal Units.

(c) The rights of the Non-Transferring Significant Members to purchase First Refusal Units pursuant to this Section 5.01 are conditioned upon all of the First Refusal Units being purchased by Non-Transferring Significant Members. If the Non-Transferring Significant Members do not elect to purchase, in the aggregate, all of the First Refusal Units pursuant to this Section 5.01, then the Proposed Seller shall be free, for a period of sixty (60) days from the date of the expiration of the Refusal Period, to sell such First Refusal Units to a third party (the "Proposed Transferee") (x) at a price per Unit equal to or greater than the Sale Price and upon terms no more favorable to the Proposed Transferee than those specified in the Seller's Notice and (y) subject to the applicable terms and restrictions of this Agreement, including Article IV and Section 5.03.

(d) Sales of the First Refusal Units to be sold to the participating Non-Transferring Significant Members pursuant to this Section 5.01 shall be made at the offices of the Company within sixty (60) days of the delivery of Seller's Notice, or on such other date as the participating parties may agree in writing. Such sales shall be effected by the Proposed Seller's delivery of the First Refusal Units, free and clear of all Encumbrances (other than restrictions imposed by the governing documents of the Company and securities laws), to the participating Non-Transferring Significant Members, against payment to the Proposed Seller of the purchase consideration therefor by the participating Non-Transferring Significant Members.

Section 5.02 *Drag-Along Rights*.

(a) Except for any Permitted Transfer and any proposed Transfer governed by Section 5.04, if any Drag-Along Member Group desires to make a Transfer of all of the Membership Interests held in the aggregate by such Drag-Along Member Group to any third party (collectively, a "Drag-Along Transferee") in a bona fide, arm's length transaction or series of related transactions, such Drag-Along Member Group shall have the right (a "Drag-Along Right"), upon the terms and subject to the conditions of this Section 5.02, to require the other Members to Transfer all of the Units held by such other Members to such Drag-Along Transferee; *provided*, *however*, that, if desirable to the Drag-Along Member Group exercising Drag-Along Rights, in lieu of a Transfer of Units, the Drag-Along Rights may be exercised to cause the sale of all or substantially all of the assets of the Company. Subject to Section 5.02(b), each Member shall Transfer all of the Units it is required to Transfer in connection with the valid exercise of Drag-Along Rights by a Drag-Along Member Group on the same terms and conditions applicable to, and for the same type and per Unit amount of consideration (which shall be specified, together with other material terms and conditions, in the Drag-Along Notice (as defined below)) payable to, each member of the Drag-Along Member Group (a "Drag-Along Sale").

(b) In connection with a Drag-Along Sale, each Member subject thereto shall execute such documents, and make such customary representations, warranties (but only to the extent such representations and warranties relate to such Member's ownership of Units and its authority to execute such documents), covenants and indemnities, as are (and when) executed and made by the applicable Drag-Along Member Group; *provided* that (i) any such indemnification or similar obligations shall be apportioned pro rata among the Members participating in the Drag-Along Sale based on the net proceeds received by them, other than with respect to representations made individually by a Member (*e.g.*, representations as to title or authority or representations qualified by the individual knowledge of such Member) and (ii) no such Member shall be required to furnish or agree to any covenant not to compete. In connection with a Drag-Along Sale, each Member subject thereto shall also (i) consent to and raise no objections against the Drag-Along Sale or the process pursuant to which the Drag-Along Sale was arranged, (ii) waive any dissenter's rights and other similar rights, if any, (iii) take all actions reasonably required or desirable or requested by the Drag-Along Member Group to consummate such Drag-Along Sale, (iv) comply with the terms of the documentation relating to such Drag-Along Sale and (v) use commercially reasonable efforts to cause any Representative designated by such Member to facilitate and take, and cause the Company to facilitate and take, the actions described in the foregoing clauses (i) through (iv).

(c) The rights set forth in this Section 5.02 shall be exercised by the Drag-Along Member Group giving written notice (the "Drag-Along Notice") to the other Members, at least thirty (30) days prior to the date of the consummation of the proposed Drag-Along Sale. Each Drag-Along Notice shall set forth: (i) the number of Units to be Transferred by each Member subject to the Drag-Along Sale and the per Unit purchase price and form of consideration that the Drag-Along Transferee has offered to pay therefor, (ii) the name and address of the Drag-Along Transferee and (iii) all other material terms and conditions of such proposed Transfer, including the expected closing date. Pending consummation of the Drag-Along Sale, the Drag-Along Member Group shall promptly notify each other Member of any changes in the proposed timing for the Drag-Along Sale and any other material developments in connection therewith.

(d) Each Member shall be obligated to pay his or its pro rata share (based on the Member's Ownership Percentage) of the expenses incurred by the Members in connection with the Drag-Along Sale for the benefit of all Members, it being understood that costs incurred by or on behalf of a Member for its or his sole benefit will not be considered costs of the Drag-Along Sale.

(e) At the closing of any Drag-Along Sale, each Member subject thereto shall (i) deliver its Units, free and clear of all Encumbrances (other than restrictions imposed by the governing documents of the Company and securities laws), to the Drag-Along Transferee against payment to such Member of the consideration therefor by the Drag-Along Transferee specified in the Drag-Along Notice and (ii) execute and deliver, if necessary, such documents in accordance with this Section 5.02 as are necessary or appropriate to consummate and make effective the Drag-Along Sale.

Section 5.03 *Tag -Along Rights*.

(a) Except for any Permitted Transfer and any proposed Transfer governed by Section 5.02 or Section 5.04, if any Member or group of Members (in its or their capacity as such, a "Tag-Along Member") desires to make a Transfer of its or their Membership Interests constituting 25% or more of all outstanding Units to any third party (collectively, a "Tag-Along Transferee") in a bona fide, arm's length transaction or series of related transactions (as described herein, a "Tag-Along Sale"), then, upon the terms and subject to the conditions of this Section 5.03, each other Member may participate in the Tag-Along Sale (such participation rights being hereinafter referred to as "Tag-Along Rights") with respect to a number of Units that it elects, up to an amount that equals the product of: (i) a fraction, the numerator of which is the total number of Units owned by such Member and the denominator of which is the aggregate number of Units owned by all Members participating in the Tag-Along Sale (including the Tag-Along Member) and (ii) the aggregate number of Units being Transferred in the Tag-Along Sale. To the extent any Member exercises his or its Tag-Along Rights in accordance with the terms and conditions contained herein, the number of Units that the Tag-Along Member may Transfer pursuant to the terms of this Section 5.03 shall be correspondingly reduced; in the event there is more than one Tag-Along Member, such reduction shall be allocated between or among all Tag-Along Members in the same proportions that the number of Units initially proposed to be Transferred in the Tag-Along Sale by a Tag-Along Member bears to the total number of Units initially proposed to be Transferred in the Tag-Along Sale by all Tag-Along Members. Subject to Section 5.03(b), each participating Member shall Transfer all of its Units to be Transferred in connection with the valid exercise of Tag-Along Rights on the same terms and conditions applicable to, and for the same type and per Unit amount of consideration (which shall be specified, together with other material terms and conditions, in the Tag-Along Notice (as defined below)) payable to, the Tag-Along Member and each other Member participating in the Tag-Along Sale.

(b) In connection with a Tag-Along Sale, each Member who exercises Tag-Along Rights shall execute such documents, and make such customary representations, warranties (but only to the extent such representations and warranties relate to such Member's ownership of Units and its authority to execute such documents), covenants and indemnities, as are (and when) executed and made by the applicable Tag-Along Member; *provided* that (i) any such indemnification or similar obligations shall be apportioned pro rata among the Members participating in the Tag-Along Sale based on the net proceeds received by them, other than with respect to representations made individually by a Member (*e.g.*, representations as to title or authority or representations qualified by the individual knowledge of such Member) and (ii) no such Member shall be required to furnish or agree to any covenant not to compete. In connection with a Tag-Along Sale, each participating Member shall also (i) consent to and raise no objections against the Tag-Along Sale or the process pursuant to which the Tag-Along Sale was arranged, (ii) waive any dissenter's rights and other similar rights, if any, (iii) take all actions reasonably required or desirable or requested by the Tag-Along Member to consummate such Tag-Along Sale, (iv) comply with the terms of the documentation relating to such Tag-Along Sale and (v) use commercially reasonable efforts to cause any Representative designated by such Member to facilitate and take, and cause the Company to facilitate and take, the actions described in the foregoing clauses (i) through (iv).

(c) Prior to any Tag-Along Member making any Transfer that gives rise to Tag-Along Rights, such Tag-Along Member shall give prompt written notice (a "Tag-Along Notice") of the proposed Tag-Along Sale to the other Members. Each Tag-Along Notice shall set forth: (i) the number of Units to be Transferred by the Tag-Along Member and the per Unit purchase price and form of consideration that the Tag-Along Transferee has offered to pay therefor, (ii) the name and address of the Tag-Along Transferee and (iii) all other material terms and conditions of such proposed Transfer, including the expected closing date. Pending consummation of the Tag-Along Sale, the Tag-Along Member shall promptly notify each other Member of any changes in the proposed timing for the Tag-Along Sale and any other material developments in connection therewith.

(d) Those Members opting to exercise their Tag-Along Rights shall give written notice to the Tag-Along Member within twenty (20) days after receipt of the Tag-Along Notice of their intention to participate in the Tag-Along Sale on the terms and conditions set forth in such Tag-Along Notice. Any Member that has not provided written notice to the Tag-Along Member of its intent to exercise Tag-Along Rights within the time periods specified above shall be conclusively deemed to have elected not to exercise such Tag-Along Rights.

(e) At the closing of any Tag-Along Sale, each Member exercising Tag-Along Rights shall (i) deliver its Units with respect to which such rights have been validly exercised, free and clear of all Encumbrances (other than restrictions imposed by the governing documents of the Company and securities laws), to the Tag-Along Transferee against payment to such Member of the consideration therefor by the Tag-Along Transferee specified in the Tag-Along Notice and (ii) execute and deliver, if necessary, such documents in accordance with this Section 5.03 as are necessary or appropriate to consummate and make effective the Tag-Along Sale.

Section 5.04 *Transfers Upon Divorce of a Member*.

No Membership Interest held by a natural person shall be Transferred upon the divorce of such Member (the "Divorced Member"), in whole or in part, unless the provisions of this Section 5.04 are first complied with. No later than twenty (20) days after such a divorce is finalized, the Member's former spouse (the "Divorced Spouse") shall provide written notice (the "Divorce Notice") to the Divorced Member and each Significant Member (with a copy to the Company), containing: (i) the number of Units subject to Transfer upon the divorce ("Divorce Units"), (ii) the name and address of the Divorced Spouse and (iii) the date the divorce became final, delivery of which shall constitute an offer by the Divorced Spouse to sell to the Divorced Member and each Significant Member the Divorce Units as provided in this paragraph. For a period of thirty (30) days after the Divorce Notice is received, the Divorced Member shall have the right and option to purchase, and the Divorced Spouse shall have the obligation to sell all but not less than all of the Divorce Units. If the Divorced Member does not elect to purchase such Divorce Units within such 30-day period, the Divorced Member shall give written notice (the "Non-Election Notice") to each Significant Member (with a copy to the Company), no later than two (2) Business Days after the expiration of such 30-day period, indicating that the Divorced Member has not elected to purchase the Divorce Units. For a period of thirty (30) days after the Non-Election Notice is received by the Significant Members, the Significant Members and the Divorced Member shall have the right and option to purchase, and the Divorced Spouse shall have the obligation to sell, the Divorce Units in the proportions upon which the Significant

Members and the Divorced Member may agree, or if they are unable to so agree, on a pro rata basis in accordance with the number of Units owned by each such Significant Member and Divorced Member in relation to the total number of Units owned by all such other Significant Members and Divorced Member. For purposes of this Section 5.04, the purchase price of the Divorce Units shall be the fair market value of the Divorce Units as agreed to between the participating Members and the Divorced Spouse, or if such parties are unable to so agree, as determined by a nationally or regionally recognized independent valuation consultant or appraiser reasonably satisfactory to the participating Members and the Divorced Spouse, *provided* that if such parties are unable to agree on a consultant or appraiser, then the participating Members, on the one hand, and the Divorced Spouse, on the other hand, shall each select such a consultant or appraiser, and each such consultant or appraiser shall agree on a third such independent consultant or appraiser that will make such determination. The cost of such consultant or appraiser shall be borne 50% by the participating Members and 50% by the Divorced Spouse. No Divorced Spouse shall be permitted to serve as or have the right to be appointed as a Director, and any Divorced Spouse serving as a Director shall, upon the finalization of the divorce, automatically be removed from the Board without any further action and the vacancy shall be filled by the Members in accordance with Section 9.02(b), Section 11.03(a) or Section 11.04, as applicable.

Section 5.05 *Preemptive Rights–New Interests.*

(a) Each Member shall have the preemptive right to purchase its proportionate number, or any lesser number at such Member's election, of any units of New Securities which the Company may, from time to time, propose to issue and sell. For purposes of this Section 5.05, each such Member's "proportionate number" means the product obtained by multiplying the aggregate number of units proposed to be issued and sold by a fraction, (i) the numerator of which will be the aggregate number of Units owned by such Member and (ii) the denominator of which will be the aggregate number of Units owned collectively by all Members.

(b) In the event the Company proposes to undertake an issuance of New Securities, the Company will obtain a written commitment to purchase such New Securities (a "Commitment") and promptly give each Member written notice of its intention to issue such New Securities pursuant to such Commitment together with a copy of such Commitment, which Commitment shall describe (i) the New Securities and the price and terms upon which the Company proposes to issue the same, (ii) the identity of the purchaser or purchasers and (iii) set forth the aggregate number of units of such New Securities which such Member is entitled to purchase and the aggregate purchase price therefor. Each such Member will have thirty (30) days from the date of receipt of any notice to agree to purchase its proportionate number or any lesser number of such New Securities, for the price and upon the terms specified in the Commitment by giving written notice to the Company and stating therein the number of units of New Securities to be purchased. The Company shall promptly, in writing, inform each such Member which purchases all of the New Securities offered to it ("Fully-Exercising Member") of any other Member's failure to do likewise. During the fifteen (15) day period commencing after receipt of such information, each Fully Exercising Member shall be entitled to obtain that portion of the New Securities not subscribed for by such other Members which is equal to the proportion that the number of Units owned by such Fully-Exercising Member bears to the number of Units owned by all Fully-Exercising Members who wish to the unsubscribed New Securities.

(c) If all of the New Securities are not elected to be purchased as provided in Section 5.05(b), the Company will have forty-five (45) days following expiration of the period provided in Section 5.05(b) to sell the New Securities as to which any such Member's right was not exercised, at a price and upon such other terms as are specified in the Commitment and the Company's notice. In the event the Company has not sold such New Securities within such 45-day period or desires to sell such New Securities to a purchaser not named in the Commitment or on terms that differ from those described in the Commitment, the Company will not thereafter issue or sell any New Securities without again complying with this Section 5.05.

ARTICLE VI.
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ARTICLE VII.
CAPITAL CONTRIBUTIONS

Section 7.01 *Initial Capital Contributions*.

As of the date hereof, the parties hereto agree that the respective Capital Contributions of the Members (or their respective share of any such Capital Contributions made by their predecessors in interest to the extent such Member is the transferee of one or more Units) and Units of the Members are as set forth on Exhibit A.

Section 7.02 *Additional Contributions*.

No Member shall be obligated to make any additional Capital Contributions to the Company apart from those Capital Contributions specified in Section 7.01.

Section 7.03 *Loans*.

(a) The Company or any of its Affiliates may, but shall be under no obligation to, lend to any Group Member, and any Group Member may borrow from the Company or any of its Affiliates, funds needed or desired by the Group Member for such periods of time and in such amounts as the Board may determine; *provided*, *however*, that in any such case the lending party may not charge the borrowing party interest at a rate greater than the rate that would be charged the borrowing party or impose terms less favorable to the borrowing party than would be charged or imposed on the borrowing party by unrelated lenders on comparable loans made on an arm's length basis (without reference to the lending party's financial abilities or guarantees), all as determined by the Board. The borrowing party shall reimburse the lending party for any costs (other than any additional interest costs) incurred by the lending party in connection with the borrowing of such funds. For purposes of this Section 7.03(a) and Section 7.03(b), the term "Group Member" shall include any Affiliate of a Group Member that is controlled by the Group Member.

(b) No Group Member may lend funds to the Company or any of its Affiliates (other than another Group Member).

(c) Any Member may, subject to Section 9.04(c), loan funds to the Company. Loans by a Member to the Company will not be treated as Capital Contributions but will be treated as debt obligations having such terms as are approved in accordance with Section 9.04(c).

Section 7.04 *Return of Contributions*.

Except as expressly provided herein, no Member is entitled to the return of any part of its Capital Contributions or to be paid interest in respect of either its Capital Account or its Capital Contributions. An unrepaid Capital Contribution is not a liability of the Company or of any Member. A Member is not required to contribute or to lend any cash or property to the Company to enable the Company to return any Member's Capital Contributions.

Section 7.05 *Capital Accounts*.

A separate capital account ("Capital Account") shall be established, determined and maintained for each Member in accordance with the substantial economic effect test set forth in Treasury Regulation § 1.704-l(b)(2), which provides, in part, that a Capital Account shall be:

(a) increased by (i) the amount of money contributed by the Member to the company; (ii) the fair market value of any property contributed by the Member to the Company (net of liabilities secured by such contributed property); and (iii) allocations to the Member of the Company income and gain (or items thereof), including income and gain exempt from tax; and

(b) decreased by (i) the amount of money distributed to the Member by the Company; (ii) the fair market value of any property distributed to the Member by the Company (net of liabilities secured by such distributed property); (iii) allocations to the Member of expenditures of the Company not deductible in computing its taxable income and not properly capitalized for federal income tax purposes; and (iv) allocations to the Member of Company loss and deduction (or items thereof).

In the case of a termination of a Membership Interest or an additional Capital Contribution by an existing or newly admitted Member, the Capital Accounts of the Members shall be adjusted as of the date of such termination or the date of the Capital Contribution, as the case may be.

ARTICLE VIII.
DISTRIBUTIONS AND ALLOCATIONS

Section 8.01 *Distributions*

(a) Except as otherwise provided in Section 15.03, within 50 days following the end of each Quarter, an amount equal to 100% of Available Cash with respect to such Quarter shall be distributed in accordance with this Article VIII to all Members simultaneously pro rata in accordance with each Member's Ownership Percentage (at the time the amounts of such distributions are determined).

(b) Each distribution in respect of a Membership Interest shall be paid by the Company only to the holder of record of such Membership Interest as of the record date set for

such distribution. Such payment shall constitute full payment and satisfaction of the Company's liability in respect of such payment, regardless of any claim of any Person who may have an interest in such payment by reason of an assignment or otherwise.

Section 8.02 *Allocations*.

After giving effect to the allocations set forth in Section 8.03, the Company shall allocate Profits and Losses for any Allocation Year among the Members in accordance with the Members' Ownership Percentages.

Section 8.03 *Special Allocations*.

(a) If there is a net decrease in Company Minimum Gain during any Allocation Year, each Member shall be allocated items of Company income and gain for such Allocation Year (and, if necessary, subsequent Allocation Years) in the manner and amounts provided in Treasury Regulation Sections 1.704-2(f)(6), 1.704-2(g)(2) and 1.704-2(j)(2)(i), or any successor provision. This Section 8.03(a) is intended to comply with the Company Minimum Gain chargeback requirement in Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith.

(b) Except as provided in Treasury Regulation Section 1.704-2(i)(4), if there is a net decrease in Member Nonrecourse Debt Minimum Gain during any Allocation Year, any Member with a share of Member Nonrecourse Debt Minimum Gain at the beginning of such Allocation Year shall be allocated items of Company income and gain for such Allocation Year (and, if necessary, subsequent Allocation Years) in the manner and amounts provided in Treasury Regulation Sections 1.704-2(i)(4) and 1.704-2(j)(2)(ii), or any successor provisions. This Section 8.03(b) is intended to comply with the chargeback of items of income and gain requirement in Treasury Regulation Section 1.704-2(i)(4) and shall be interpreted consistently therewith.

(c) In the event any Member has a deficit balance in its Capital Account at the end of any Allocation Year in excess of the sum of (A) the amount such Member is required to restore pursuant to the provisions of this Agreement and (B) the amount such Member is deemed obligated to restore pursuant to Treasury Regulation Sections 1.704-2(g) and 1.704-2(i)(5), such Member shall be specially allocated items of Company gross income and gain in the amount of such excess as quickly as possible; *provided*, that an allocation pursuant to this Section 8.03(c) shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article VIII have been tentatively made as if this Section 8.03(c) were not in this Agreement.

(d) In the event any Member has a deficit balance in its Capital Account at the end of any Allocation Year in excess of the sum of (A) the amount such Member is required to restore pursuant to the provisions of this Agreement and (B) the amount such Member is deemed obligated to restore pursuant to Treasury Regulation Sections 1.704-2(g) and 1.704-2(i)(5), such Member shall be specially allocated items of Company gross income and gain in the amount of such excess as quickly as possible; *provided*, that an allocation pursuant to this Section 8.03(d) shall be made only if and to the extent that such Member would have an

Adjusted Capital Account Deficit after all other allocations provided for in this Article VIII have been tentatively made as if Section 8.03(c) and this Section 8.03(d) were not in this Agreement.

(e) Nonrecourse Deductions for any Allocation Year shall be allocated to the Members pro rata in accordance with each Member's Ownership Percentage.

(f) Member Nonrecourse Deductions for any Allocation Year shall be allocated 100% to the Member that bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such Member Nonrecourse Deductions are attributable in accordance with Treasury Regulation Section 1.704-2(i). If more than one Member bears the economic risk of loss with respect to a Member Nonrecourse Debt, such Member Nonrecourse Deductions attributable thereto shall be allocated between or among such Members in accordance with the ratios in which they share such economic risk of loss.

(g) For purposes of Treasury Regulation Section 1.752-3(a)(3), the Members agree that Nonrecourse Liabilities of the Company shall be allocated the Members pro rata in accordance with each Member's Ownership Percentage.

(h) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Section 734(b) or 743(b) of the Code is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis), and such item of gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

(i) Notwithstanding any other provision of this Section 8.03, the allocations set forth in Sections 8.03(a), (b), (c), (d), (e), (f) and (h) (the "Required Allocations") shall be taken into account so that, to the extent possible, the net amount of items of gross income, gain, loss and deduction allocated to each Member pursuant to Sections 8.02 and 8.03, together, shall be equal to the net amount of such items that would have been allocated to each such Member under Section 8.02 and Section 8.03 had the Required Allocations and this Section 8.03(i) not otherwise been provided in this Agreement. The Company may take into account future Required Allocations that, although not yet made, are likely to offset other Required Allocations previously made.

(j) Items of income, gain, loss and deduction realized after, or in anticipation of, a Dissolution Event shall be allocated in a manner that will cause, to the extent possible, the ratio of each Member's Capital Account to the sum of all Members' Capital Accounts to be equal to such Member's Ownership Percentage. Upon a Dissolution Event, if any property is distributed in kind, any unrealized income, gain, loss, and deduction inherent in property that has not been reflected in the Capital Accounts previously shall be allocated among the Members as if there were a taxable disposition of that property for the fair market value of that property on the date of distribution.

(k) The allocations in Section 8.02, this Section 8.03 and Section 8.05, and the provisions of this Agreement relating to the maintenance of Capital Accounts, apply solely for U.S. federal income tax purposes (and any related state income tax purposes). Such provisions are intended to comply with Treasury Regulations Sections 1.704-1 and 1.704-2 and shall be interpreted and applied in a manner consistent with such Treasury Regulations and any amendment or successor provision thereto. The Members shall cause appropriate modifications to be made if unanticipated events might otherwise cause this Agreement not to comply with such Treasury Regulations, so long as such modifications do not cause a material change in the relative economic benefit of the Members under this Agreement.

Section 8.04 *Section 704(c).*

In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the Members to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value (computed in accordance with the definition of same under this Agreement). In the event the Gross Asset Value of any Company asset is adjusted pursuant to subparagraph (b) of the definition of Gross Asset Value hereof, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Section 704(c) of the Code and the Treasury Regulations thereunder. Any elections or other decisions relating to such allocations shall be made by the Board in any manner that reasonably reflects the purpose and intention of this Agreement; *provided* that the Company shall use the remedial allocation method set forth in Treasury Regulation Section 1.704-3(d). Allocations pursuant to this Section 8.04 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

Section 8.05 *Varying Interests.*

All items of income, gain, loss, deduction or credit shall be allocated, and all distributions shall be made, to the Persons shown on the records of the Company to have been Members as of the last calendar day of the period for which the allocation or distribution is to be made. Notwithstanding the foregoing, if during any taxable year there is a change in any Member's Ownership Percentage, the Members agree that their allocable shares of such items for the taxable year shall be determined on any method determined by the Board to be permissible under Code Section 706 and the related Treasury Regulations to take account of the Members' varying Ownership Percentages.

Section 8.06 *Withheld Taxes.*

All amounts withheld pursuant to the Code or any provision of any state or local tax law with respect to any payment, distribution or allocation to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this Article VIII for all purposes of this Agreement. The Company is authorized to withhold from distributions, or with respect to

allocations, to the Members and to pay over to any federal, state or local government any amounts required to be so withheld pursuant to the Code or any provision of any other federal, state or local law and shall allocate such amounts to those Members with respect to which such amounts were withheld.

Section 8.07 *Limitations on Distributions*.

Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its interest in the Company if such distribution would violate Section 18-607 of the Delaware Act or other applicable law. All distributions required to be made under this Agreement shall be made subject to Sections 18-607 and 18-804 of the Delaware Act.

ARTICLE IX.
BOARD OF DIRECTORS

Section 9.01 *Management by Board of Directors*.

(a) The Board shall conduct, direct and manage all activities of the Company. Except as otherwise expressly provided in this Agreement, all management powers over the business and affairs of the Company shall be exclusively vested in the Board, and no Member shall have any management power over the business and affairs of the Company.

(b) No Member, in its capacity as such, shall participate in the operation, management or control of the Company's business, transact any business in the Company's name or have the power to sign documents for or otherwise bind the Company.

Section 9.02 *Board Composition*.

(a) General.

(i) As of the date of this Agreement, the Board shall initially be composed of eight (8) "Directors" (or such other number of directors as permitted in accordance with Section 9.02(e)) who shall each be natural persons (each a "Director" and, collectively, the "Directors"). The Directors shall constitute "managers" of the Company within the meaning of the Delaware Act. A Director need not be a resident of the State of Delaware, a Member or an officer of the Company.

(ii) Notwithstanding the foregoing, no Director in his or her individual capacity shall have the authority to manage the Company or approve matters relating to, or otherwise to bind the Company, such powers being reserved to a Director acting through the Board, and to such other committees of the Board, and officers and agents of the Company, as designated by the Board.

(iii) The Directors may elect a Chairman of the Board from among the Directors. The Chairman of the Board shall preside at all meetings of the Members and the Board. The Directors also may elect a Vice-Chairman to act in the place of the Chairman upon his or her absence or inability to act.

(b) Representatives. Subject to Section 9.02(b)(iv), each Designating Member shall be permitted to designate a Director (each, a "Representative" and, collectively, the "Representatives") as follows:

(i) The Coady Group shall be entitled to designate one natural person to serve on the Board (any such Director designated by the Coady Group, a "Coady Representative"). The initial Coady Representative as of the date hereof is set forth on Exhibit B.

(ii) NGL Holdings shall be entitled to designate one natural person to serve on the Board (any such Director designated by NGL Holdings, an "NGL Holdings Representative"). The initial NGL Holdings Representative as of the date hereof is set forth on Exhibit B.

(iii) The IEP Group shall be entitled to designate one natural person to serve on the Board (any such Director designated by the IEP Group, an "IEP Group Representative"). The initial IEP Group Representative as of the date hereof is set forth on Exhibit B.

(iv) SemStream shall be entitled to designate two natural persons to serve on the Board (any such Director designated by SemStream, including any Director designated pursuant to the proviso contained herein, a "SemStream Representative"); The initial SemStream Representatives as of the date hereof are set forth on Exhibit B.

(v) If any Designating Member at any time fails to hold the Requisite Ownership Threshold, then the Representatives designated by such Designating Member may be removed from the Board by a majority of the remaining Directors and the vacancy or vacancies shall be filled by the Members in accordance with Section 11.03(a) or Section 11.04, as applicable (it being understood and agreed that the Members and the Board will take all actions as may be reasonably necessary in order to effectuate the provisions of this Section 9.02(b)(v)).

(vi) If any Designating Member elects to Transfer its right to designate a Representative in accordance with the terms of this Agreement (including the requirements and limitations set forth in Section 4.01(b) and Article V), then (A) the Representatives designated by such Designating Member shall be automatically removed from the Board without any further action as of the close of business on the date of such Transfer, (B) the vacancies in the Board shall be filled by the Transferee of such Transfer, (C) such Designating Member shall cease to be a Designating Member under this Agreement and (D) the Transferee of such Transfer shall become a Designating Member under this Agreement as of the close of business on the date of Transfer, subject to such Transferee holding the Requisite Ownership Threshold.

(c) Board Observers. For so long as each Designating Member is permitted to designate a Representative in accordance with Section 9.02(b), each Designating Member (other than SemStream) shall be permitted to designate up to two natural persons to serve as observers

to the Board (each, a "Board Observer"). The initial Board Observers for each Designating Member as of the Date hereof are set forth on Exhibit B. Board Observers may be present at each meeting of the Board in which the Director designated by such Member may attend, whether or not such Director attends such meeting; *provided, however*, that Board Observers shall not be entitled to attend any portion of a meeting of the Board that would constitute, or be deemed to constitute, a waiver of the attorney-client privilege. Board Observers shall have no right to vote, consent or take any other action at any meeting of, or with respect to any action before, the Board.

(d) Removal; Resignation; Vacancies.

(i) Each Representative may be removed and replaced, with or without cause, at any time by the Designating Member that designated him or her, in such Designating Member's sole discretion, but may not be removed or replaced by any other means, except as set forth in Section 9.02(b)(iv). A Designating Member who removes its Representative shall promptly notify the other Designating Members of the removal and the name of its replacement Representative.

(ii) A Director may resign at any time, such resignation to be made in writing and to take effect immediately or on such later date as may be specified therein.

(iii) If any Representative designated by a Designating Member shall cease to serve as a Director for any reason, the vacancy resulting thereby shall be filled by another individual to be designated by that Designating Member; *provided* that such Designating Member would, at such time, otherwise be permitted to designate a Representative pursuant to Section 9.02(b).

(e) Changes in Size. The number of Directors constituting the full Board may be increased or decreased from time to time by unanimous vote of the Directors. Any Director (other than a Representative) may be removed and replaced, with or without cause, at any time by the Members in accordance with Section 11.03(a) or 11.04, as applicable. Any new Director shall be elected by the Members in accordance with Section 11.03(a) or Section 11.04 , as applicable.

Section 9.03 *Board Meetings; Quorum*.

(a) The Board shall meet at least quarterly at the offices of the Company (or such other place as determined by the Board), with the participation of such officers of the Company as such Representative may request. Special meetings of the Board, to be held at the offices of the Company (or such other place as shall be determined by the Board), shall be called at the direction of any one Director. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that such meeting is not properly called or convened. The reasonable costs and expenses incurred by the Directors and Board Observers in connection with any meeting of the Board shall be borne and paid by the Company (and any Director or Board Observer may obtain reimbursement from the Company for any such reasonably documented costs and expenses).

(b) The presence of a majority of all the Directors shall be necessary and sufficient to constitute a quorum. For the avoidance of doubt, no Board Observer shall count as a member of the Board for purposes of constituting a quorum.

Section 9.04 *Board Voting*.

(a) General; Majority Voting. Each Director shall be entitled to one vote. On all matters requiring the vote or action of the Board, but excluding any matter otherwise expressly set forth in this Agreement, any action undertaken by the Board must be authorized by the affirmative vote of at least a majority of Directors at any meeting at which a quorum is present.

(b) Related Party Transactions. Other than with respect to contracts or transactions authorized pursuant to Section 7.9 of the Partnership LP Agreement, no contract or transaction, or the exercise of any right, privilege or obligation (including with respect to any payment, determination or other matter relating to indemnification) thereunder or under this Agreement or any other agreement, between the Company or any Group Member, on the one hand, and one or more Members or directors or officers of the Company or any Group Member or any of their respective Affiliates, or any other Person in which one or more of such Members, directors or officers are directors or officers, or have a financial interest, on the other hand, shall be valid or authorized without the affirmative vote of at least a majority of disinterested Directors, even though the number of disinterested Directors may be less than a quorum.

Section 9.05 *Notice*.

Written notice of all regular meetings of the Board shall be given to all Directors at least 10 days prior to the regular meeting of the Board and one Business Day prior to any special meeting of the Board. All notices and other communications to be given to Directors shall be sufficiently given for all purposes hereunder if in writing and delivered by hand, courier or overnight delivery service or three days after being mailed by certified or registered mail, return receipt requested, with appropriate postage prepaid, delivered by electronic mail or when received in the form of a facsimile, and shall be directed to the address or facsimile number as such Director shall designate by notice to the Company. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice of such meeting. A meeting may be held at any time without notice if all the Directors are present or if those not present waive notice of the meeting either before or after such meeting.

Section 9.06 *Action by Written Consent of Board*.

To the extent permitted by applicable law and not in contravention of any other provision of this Agreement, the Board may act without a meeting, without notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by a majority of the members of the Board. All actions taken by the Board in the form of a written consent shall be distributed to each Director promptly upon the taking of such action.

Section 9.07 *Conference Telephone Meetings*.

Directors may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

Section 9.08 *Minutes*.

All decisions and resolutions of the Board shall be reported in the minutes of its meetings, which shall state the date, time and place of the meeting (or the date of the written consent in lieu of a meeting), the persons present at the meeting, the resolutions put to a vote (or the subject of a written consent) and the results of such voting (or written consent). The minutes of all meetings of the Board shall be kept at the principal office of the Company.

Section 9.09 *Committees*.

The Board may establish committees of the Board and may delegate certain of its responsibilities to such committees. So long as SemStream constitutes a "Designating Member" hereunder, SemStream shall have the right to appoint one (1) person to each committee established by the Board from time to time; provided, in no event shall SemStream have any such right with respect to committees of the Board that consist or are required to consist of independent directors in accordance with The New York Stock Exchange Listing Standards.

ARTICLE X.
OFFICERS

Section 10.01 *Elected Officers*.

The executive officers of the Company shall serve at the pleasure of the Board. Such officers shall have the authority and duties delegated to each of them, respectively, by the Board from time to time. The elected officers of the Company shall be a Chief Executive Officer, a Secretary, a Treasurer and such other officers (including, without limitation, Executive Vice Presidents, Senior Vice Presidents and Vice Presidents) as the Board from time to time may deem proper. All officers elected by the Board shall each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this Article X. The Board or any committee thereof may from time to time elect such other officers (including one or more Vice Presidents, Controllers, Assistant Secretaries and Assistant Treasurers) as may be necessary or desirable for the conduct of the business of the Company. Such other officers and agents shall have such duties and shall hold their offices for such terms as shall be provided in this Agreement or as may be prescribed by the Board or such committee, as the case may be.

Section 10.02 *Term of Office*.

Each officer shall hold office until such person's successor shall have been duly elected and shall have qualified or until such person's death or until he shall resign or be removed pursuant to Section 10.08.

Section 10.03 *Chief Executive Officer*.

The Chief Executive Officer shall be responsible for the general management of the affairs of the Company and shall perform all duties incidental to such person's office which may

be required by law and all such other duties as are properly required of him by the Board. He shall make reports to the Board and the Members and shall see that all orders and resolutions of the Board and of any committee thereof are carried into effect.

Section 10.04 [*Reserved*].

Section 10.05 *Vice Presidents*.

Each Executive Vice President and Senior Vice President and any Vice President shall have such powers and shall perform such duties as shall be assigned to him by the Board.

Section 10.06 *Treasurer*.

(a) The Treasurer shall exercise general supervision over the receipt, custody and disbursement of corporate funds. The Treasurer shall cause the funds of the Company to be deposited in such banks as may be authorized by the Board, or in such banks as may be designated as depositories in the manner provided by resolution of the Board. The Treasurer shall, in general, perform all duties incident to the office of the Treasurer and shall have such further powers and duties and shall be subject to such directions as may be granted or imposed from time to time by the Board.

(b) Assistant Treasurers shall have such of the authority and perform such of the duties of the Treasurer as may be provided in this Agreement or assigned to them by the Board or the Treasurer. Assistant Treasurers shall assist the Treasurer in the performance of the duties assigned to the Treasurer, and in assisting the Treasurer, each Assistant Treasurer shall for such purpose have the powers of the Treasurer. During the Treasurer's absence or inability, the Treasurer's authority and duties shall be possessed by such Assistant Treasurer or Assistant Treasurers as the Board may designate.

Section 10.07 *Secretary*.

(a) The Secretary shall keep or cause to be kept, in one or more books provided for that purpose, the minutes of all meetings of the Board, the committees of the Board and the Members. The Secretary shall see that all notices are duly given in accordance with the provisions of this Agreement and as required by applicable law; shall be custodian of the records and the seal of the Company and affix and attest the seal to all documents to be executed on behalf of the Company under its seal; and shall see that the books, reports, statements, certificates and other documents and records required by law to be kept and filed are properly kept and filed; and in general, shall perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the Board.

(b) Assistant Secretaries shall have such of the authority and perform such of the duties of the Secretary as may be provided in this Agreement or assigned to them by the Board or the Secretary. Assistant Secretaries shall assist the Secretary in the performance of the duties assigned to the Secretary, and in assisting the Secretary, each Assistant Secretary shall for such purpose have the powers of the Secretary. During the Secretary's absence or inability, the Secretary's authority and duties shall be possessed by such Assistant Secretary or Assistant Secretaries as the Board may designate.

Section 10.08 *Removal*.

Any officer elected, or agent appointed, by the Board may be removed by the Board whenever, in its judgment, the best interests of the Company would be served thereby. No elected officer shall have any contractual rights against the Company for compensation by virtue of such election beyond the date of the election of such person's successor, such person's death, such person's resignation or such person's removal, whichever event shall first occur, except as otherwise provided in an employment contract or under an employee deferred compensation plan.

Section 10.09 *Vacancies*.

A newly created elected office and a vacancy in any elected office because of death, resignation or removal may be filled by the Board for the unexpired portion of the term at any meeting of the Board.

ARTICLE XI.
MEMBER MEETINGS

Section 11.01 *Meetings*.

Subject to the provisions of this Agreement, including Section 9.01, any actions of the Members required to be taken hereunder shall be taken in the manner provided in this Article XI. Meetings of Members shall be called by the Board. The Board may designate any place as the place of meeting for any meeting of the Members.

Section 11.02 *Notice of a Meeting.*

Written notice of meetings of the Members shall be given to all Members at least 10 days prior to the meeting. All notices and other communications to be given to Members shall be sufficiently given for all purposes hereunder if in writing and delivered by hand, courier or overnight delivery service or three days after being mailed by certified or registered mail, return receipt requested, with appropriate postage prepaid, delivered by electronic mail or when received in the form of a facsimile, and shall be directed to the address or facsimile number as such Member shall designate by notice to the Company. Neither the business to be transacted at, nor the purpose of, any meeting of the Members need be specified in the notice of such meeting. A meeting may be held at any time without notice if all the Members are present or if those not present waive notice of the meeting either before or after such meeting. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting, except where a Member attends the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 11.03 *Quorum; Voting Requirement*.

(a) The presence, in person or by proxy, of Members owning (in the aggregate) a Majority Interest shall constitute a quorum for the transaction of business by the Members. Unless otherwise provided by the Delaware Act, the affirmative vote of Members owning (in the aggregate) a Majority Interest present at a meeting at which a quorum is present shall constitute a valid decision of the Members.

(b) Except as provided in Section 16.02, without first receiving the affirmative vote of Members owning (in the aggregate) a Majority Interest, the Company shall not, and shall cause the Group Members not to, and shall not authorize or permit any officer or agent of the Company on behalf of the Company or of any Group Member to, effect any of the following actions:

(i) alter, repeal, amend or adopt any provision of its certificate of limited partnership, certificate of formation or certificate of incorporation or any agreement of limited partnership, limited liability company agreement or bylaws or any similar organizational or governing document if any such alteration, repeal, amendment or adoption would have a material adverse effect on the rights or preferences of any Member, partner, stockholder or any other holder of Equity Interests of the Company or any of the Group Members, as applicable;

(ii) merge, consolidate or convert with or into any other Person (other than a wholly owned Subsidiary of the Company into another wholly owned Subsidiary of the Company);

(iii) sell, lease, transfer, pledge or otherwise dispose of all or substantially all of the properties and assets of the Company and the Group Members, taken as a whole, in a single transaction or a series of related transactions (other than to a wholly owned Subsidiary of the Company);

(iv) change the classification of the Company or any Group Member for United States federal income tax purposes; or

(v) voluntarily liquidate, wind-up or dissolve the Company or the Partnership.

Section 11.04 *Action by Consent of Members*.

Any action that may be taken at a meeting of the Members may be taken without a meeting if an approval in writing setting forth such action is signed by Members owning (in the aggregate) 80% or more of the outstanding Units; *provided*, subject to Section 9.02, that a vacancy of the Board may be filled without a meeting if an approval in writing setting forth such action is signed by Members owning (in the aggregate) a Majority Interest.

Section 11.05 *Conference Telephone Meetings*.

Members may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at such meeting.

ARTICLE XII.
EXCULPATION AND INDEMNIFICATION; DUTIES

Section 12.01 *Indemnification*.

(a) To the fullest extent permitted by law but subject to the limitations expressly provided in this Agreement, all Indemnitees shall be indemnified and held harmless by the Company from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all threatened, pending or completed claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, and whether formal or informal and including appeals, in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as an Indemnitee and acting (or refraining to act) in such capacity; *provided*, that the Indemnitee shall not be indemnified and held harmless pursuant to this Agreement if there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter for which the Indemnitee is seeking indemnification pursuant to this Agreement, the Indemnitee acted in bad faith or engaged in fraud, willful misconduct or, in the case of a criminal matter, acted with knowledge that the Indemnitee's conduct was unlawful; *provided further,* no indemnification pursuant to this Section 12.01 shall be available to the Members or their Affiliates (other than a Group Member) with respect to its or their obligations incurred pursuant to (i) the Contribution, Purchase and Sale Agreement or (ii) the SemStream Contribution Agreement (other than obligations incurred by such Member on behalf of the Company). Any indemnification pursuant to this Section 12.01 shall be made only out of the assets of the Company, it being agreed that the Members shall not be personally liable for such indemnification and shall have no obligation to contribute or loan any monies or property to the Company to enable it to effectuate such indemnification.

(b) To the fullest extent permitted by law, expenses (including legal fees and expenses) incurred by an Indemnitee who is indemnified pursuant to Section 12.01 (a) in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Company prior to a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter for which the Indemnitee is seeking indemnification pursuant to this Section 12.01, the Indemnitee is not entitled to be indemnified upon receipt by the Company of any undertaking by or on behalf of the Indemnitee to repay such amount if it shall be ultimately determined that the Indemnitee is not entitled to be indemnified as authorized by this Section 12.01.

(c) The indemnification provided by this Section 12.01 shall be in addition to any other rights to which an Indemnitee may be entitled under any agreement, pursuant to any vote of (i) Members owning (in the aggregate) a Majority Interest or (ii) of the Board, as a matter of law, in equity or otherwise, both as to actions in the Indemnitee's capacity as an Indemnitee and as to actions in any other capacity, and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee.

(d) The Company may purchase and maintain insurance, on behalf of the Company, its Affiliates, the Indemnitees and such other Persons as the Company shall determine, against any liability that may be asserted against, or expense that may be incurred by, such Person in connection with the Company's or any of its Affiliate's activities or such Person's activities on behalf of the Company or any of its Affiliates, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement.

(e) For purposes of this Section 12.01, the Company shall be deemed to have requested an Indemnitee to serve as fiduciary of an employee benefit plan whenever the performance by it of its duties to the Company also imposes duties on, or otherwise involves services by, it to the plan or participants or beneficiaries of the plan; excise taxes assessed on an Indemnitee with respect to an employee benefit plan pursuant to applicable law shall constitute "fines" within the meaning of Section 12.01 (a); and action taken or omitted by it with respect to any employee benefit plan in the performance of its duties for a purpose reasonably believed by it to be in the best interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose that is in the best interests of the Company.

(f) In no event may an Indemnitee subject the Members to personal liability by reason of the indemnification provisions set forth in this Agreement.

(g) An Indemnitee shall not be denied indemnification in whole or in part under this Section 12.01 because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(h) The provisions of this Section 12.01 are for the benefit of the Indemnitees and their heirs, successors, assigns, executors and administrators and shall not be deemed to create any rights for the benefit of any other Persons.

(i) No amendment, modification or repeal of this Section 12.01 or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Indemnitee to be indemnified by the Company, nor the obligations of the Company to indemnify any such Indemnitee under and in accordance with the provisions of this Section 12.01 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

Section 12.02 *Liability of Indemnitees*.

(a) Notwithstanding anything to the contrary set forth in this Agreement, no Indemnitee shall be liable for monetary damages to the Company, the Members or any other Persons who have acquired interests in the Membership Interests, for losses sustained or liabilities incurred as a result of any act or omission of an Indemnitee unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that, in respect of the matter in question, the Indemnitee acted in bad faith or engaged in fraud, willful misconduct or, in the case of a criminal matter, acted with knowledge that the Indemnitee's conduct was criminal.

(b) [*reserved*]

(c) To the extent that, at law or in equity, an Indemnitee has duties (including fiduciary duties) and liabilities relating thereto to the Company or to the Members, the Indemnitee acting in connection with the Company's business or affairs shall not be liable to the Company or to any Member for its good faith reliance on the provisions of this Agreement.

(d) Any amendment, modification or repeal of this Section 12.02 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the liability of the Indemnitees under this Section 12.02 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

Section 12.03 *Other Matters Concerning the Directors*.

(a) The Directors may rely upon, and shall be protected in acting or refraining from acting upon, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) The Directors may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted to be taken in reliance upon the advice or opinion (including an Opinion of Counsel) of such Persons as to matters that the Directors reasonably believe to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in accordance with such advice or opinion.

Section 12.04 *Corporate Opportunities.*

(a) Except as provided in Section 12.04(b) or as otherwise provided in any agreement or contract to which the Company or any Group Member is a party, (i) each Member, Director and officer of the Company and their respective Affiliates shall have the right to engage in businesses of every type and description and other activities for profit and to engage in and possess an interest in other business ventures of any and every type or description, whether in businesses engaged in or anticipated to be engaged in by the Company or any Group Member, independently or with others, including business interests and activities in direct competition with the business and activities of the Company or any Group Member, and none of the same shall constitute a breach of this Agreement or any duty otherwise existing at law, in equity or otherwise, to the Company or any Group Member or any Member, and (ii) neither of the Company, any Member or any other Person shall have any rights by virtue of this Agreement, any Group Member Agreement, or the business relationship established hereby in any business ventures of any Member, Director or officer of the Company and their respective Affiliates.

(b) Notwithstanding anything in this Agreement to the contrary but subject to Section 12.04(c), the Members hereby agree that the doctrine of corporate opportunity shall apply to all Directors and officers of the Company such that, among other things, any Director or officer of the Company who acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Company or any Group Member (i) shall have a duty to communicate and offer such opportunity to the Company prior to engaging, or causing an Affiliate or Board Observer to engage, in such transaction, agreement, arrangement or other matter to the extent such a Director or officer would have such a duty if the Company were a Delaware corporation and he or she was a director or officer, respectively, thereof and (ii) shall not engage, or permit an Affiliate to engage, in such transaction, agreement, arrangement or other matter unless approved in accordance with Section 9.04(c).

(c) The doctrine of corporate opportunity, or any analogous doctrine, shall not apply to a NGL Holdings Representative acting solely in his or her capacity as an employee of Denham Capital Management LP (or its Affiliates other than NGL Holdings, the Company or any Group Member) and not in his or her capacity as a Director (such NGL Holdings Representative acting in such capacity, a "Denham Employee"). Any Denham Employee that acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Company or any Group Member shall not have any duty to communicate or offer such opportunity to the Company, and such Denham Employee shall not be liable to the Company, to any Member or any other Person for breach of any fiduciary or other duty by reason of the fact that such Denham Employee pursues or acquires for itself, directs such opportunity to another Person or does not communicate such opportunity or information to the Company; provided such Denham Employee does not engage in such business or activity as a result of or using confidential or proprietary information provided by or on behalf of or otherwise relating to the Company or any Group Member to such Denham Employee.

Section 12.05 *Duties*.

(a) Subject to Section 12.04(b), whenever a Member makes a determination or takes or declines to take any other action, or any of its Affiliates causes it to do so, in its capacity as a Member, whether under this Agreement, any Group Member Agreement or any other agreement contemplated hereby or otherwise, then such Member of its Affiliates causing it to do so shall be entitled, to the fullest extent permitted by law, to make such determination or to take or decline to take such other action free of any duty (including any fiduciary duty) or obligation whatsoever to the Company, any Member or Director, and the Member, or such Affiliates causing it to do so, shall not, to the fullest extent permitted by law, be required to act pursuant to any other standard imposed by this Agreement, any Group Member Agreement, any other agreement contemplated hereby or under the Delaware Act or any other law, rule or regulation or at equity, it being the intent of all Members that such Member or any such Affiliate, in its capacity as a Member, shall have the right to make such determination solely on the basis of its own interests.

(b) Subject to Section 12.04(b), to the fullest extent permitted by the Delaware Act, a Representative, in performing his duties and obligations as a Director under this Agreement, shall (i) owe no fiduciary or similar duty or obligation whatsoever to the Company, any Member (other than the Member designating such Representative) or the other Directors, and (ii) be

entitled to act or omit to act at the direction of the Member that designated such Representative, considering only such factors, including the separate interests of the Designating Member, as such Representative or Member chooses to consider, and any action of a Representative or failure to act, taken or omitted in good faith reliance on the foregoing provisions shall not, as between the Company and the other Members, on the one hand, and the Representative or Member designating such Representative, on the other hand, constitute a breach of any duty (including any fiduciary or other similar duty, to the extent such exists under the Delaware Act or any other applicable law) on the part of such Representative or Member to the Company or any other Representative or Member of the Company.

(c) The Members (in their own names and in the name and on behalf of the Company), acknowledge, affirm and agree that (i) none of the Designating Members would be willing to make an investment in the Company or enter into this Agreement, and no Representative would be willing to so serve on the Board, in the absence of this Section 12.05, and (ii) they have reviewed and understand the provisions of Section 18-1101(b) and (c) of the Delaware Act.

(d) Nothing in this Agreement is intended to or shall eliminate any implied contractual covenant of good faith and fair dealing, the requirement not to waste Company assets or otherwise relieve or discharge any Representative or Member from liability to the Company or the Members on account of any fraudulent or intentional misconduct of such Representative or Member.

ARTICLE XIII.
TAXES

Section 13.01 *Tax Returns*.

The Board shall prepare and timely file or cause to be prepared and filed (on behalf of the Company) all federal, state, local and foreign tax returns required to be filed by the Company. Each Member shall furnish to the Company all pertinent information in its possession relating to the Company's operations that is necessary to enable the Company's tax returns to be timely prepared and filed. The Company shall bear the costs of the preparation and filing of its returns.

Section 13.02 *Tax Elections*.

(a) The Company shall make the following elections on the appropriate tax returns:

(i) to adopt as the Company's taxable year the calendar year;

(ii) to adopt the accrual method of accounting;

(iii) if a distribution of the Company's property as described in Section 734 of the Code occurs or upon a transfer of Membership Interest as described in Section 743 of the Code occurs, on request by notice from any Member, to elect, pursuant to Section 754 of the Code, to adjust the basis of the Company's properties; and

(iv) any other election the Board may deem appropriate.

(b) Neither the Company nor any Member shall make an election for the Company to be excluded from the application of the provisions of subchapter K of chapter 1 of subtitle A of the Code or any similar provisions of applicable state law and no provision of this Agreement shall be construed to sanction or approve such an election.

Section 13.03 *Tax Matters Member*.

(a) Krimbill GP shall act as the "tax matters partner" of the Company pursuant to Section 6231(a)(7) of the Code (the "Tax Matters Member"). The Tax Matters Member shall take such action as may be necessary to cause to the extent possible each Member to become a "notice partner" within the meaning of Section 6223 of the Code. The Tax Matters Member shall inform each Member of all significant matters that may come to its attention in its capacity as Tax Matters Member by giving notice thereof on or before the 15th Business Day after becoming aware thereof and, within that time, shall forward to each Member copies of all significant written communications it may receive in that capacity.

(b) The Tax Matters Member shall take no action without the authorization of the Board, other than such action as may be required by applicable law. Any cost or expense incurred by the Tax Matters Member in connection with its duties, including the preparation for or pursuance of administrative or judicial proceedings, shall be paid by the Company.

(c) The Tax Matters Member shall not enter into any extension of the period of limitations for making assessments on behalf of the Members without first obtaining the consent of the Board. The Tax Matters Member shall not bind any Member to a settlement agreement without obtaining the consent of such Member. Any Member that enters into a settlement agreement with respect to any Company item (as described in Section 6231(a)(3) of the Code in respect of the term "partnership item") shall notify the other Members of such settlement agreement and its terms within 90 days from the date of the settlement.

(d) No Member shall file a request pursuant to Section 6227 of the Code for an administrative adjustment of Company items for any taxable year without first notifying the other Members. If the Board consents to the requested adjustment, the Tax Matters Member shall file the request for the administrative adjustment on behalf of the Members. If such consent is not obtained within 30 days from such notice, or within the period required to timely file the request for administrative adjustment, if shorter, any Member may file a request for administrative adjustment on its own behalf. Any Member intending to file a petition under Sections 6226, 6228 or other Section of the Code with respect to any item involving the Company shall notify the other Members of such intention and the nature of the contemplated proceeding. In the case where the Tax Matters Member is intending to file such petition on behalf of the Company, such notice shall be given within a reasonable period of time to allow the Members to participate in the choosing of the forum in which such petition will be filed.

(e) If any Member intends to file a notice of inconsistent treatment under Section 6222(b) of the Code, such Member shall give reasonable notice under the circumstances to the other Members of such intent and the manner in which the Member's intended treatment of an item is (or may be) inconsistent with the treatment of that item by the other Members.

ARTICLE XIV.
BOOKS, RECORDS, REPORTS, BANK ACCOUNTS, AND BUDGETS

Section 14.01 *Maintenance of Books*.

(a) The Board shall cause to be kept a record containing the minutes of the proceedings of the meetings of the Board and of the Members, appropriate registers and such books of records and accounts as may be necessary for the proper conduct of the business of the Company.

(b) The books of account of the Company shall be (i) maintained on the basis of a fiscal year that is the calendar year, (ii) maintained on an accrual basis in accordance with GAAP, consistently applied and (iii) audited by the Certified Public Accountants at the end of each calendar year.

Section 14.02 *Reports*.

(a) As soon as practicable, but in no event later than 90 days after the close of each fiscal year of the Company, the Board shall cause to be mailed or made available, by any reasonable means, to each holder of record of a Unit as of a date selected by the Board, an annual report containing financial statements of the Company for such fiscal year of the Company, presented in accordance with GAAP, including a balance sheet and statements of operations, company equity and cash flows, such statements to be audited by a firm of independent public accountants selected by the Board.

(b) As soon as practicable, but in no event later than 45 days after the close of each Quarter except the last Quarter of each fiscal year, the Board shall cause to be mailed or made available, by any reasonable means to each holder of record of a Unit, as of a date selected by the Board, a report containing unaudited financial statements of the Company and such other information as may be required by applicable law or as the Board determines to be necessary or appropriate.

(c) With respect to each calendar year, the Board shall prepare, or cause to be prepared, and deliver, or cause to be delivered, to each Member such federal, state and local income tax returns and such other accounting, tax information and schedules (including any information necessary for unrelated business taxable income calculations by any Member) as shall be necessary for the preparation by each Member on or before July 15 following the end of each calendar year of its income tax return with respect to such year.

Section 14.03 *Bank Accounts*.

Funds of the Company shall be deposited in such banks or other depositories as shall be designated from time to time by the Board. All withdrawals from any such depository shall be made only as authorized by the Board and shall be made only by check, wire transfer, debit memorandum or other written instruction.

ARTICLE XV.
DISSOLUTION, WINDING-UP, TERMINATION AND CONVERSION

Section 15.01 *Dissolution*.

The Company shall dissolve, and its affairs shall be wound up, upon:

(a) an election to dissolve the Company by the affirmative vote of Members owning (in the aggregate) a Majority Interest;

(b) the entry of a decree of judicial dissolution of the Company pursuant to the provisions of the Delaware Act; or

(c) at any time there are no Members, unless the Company is continued without dissolution in accordance with the Delaware Act.

Section 15.02 *Liquidator*.

Upon dissolution of the Company, the Board shall select one or more Persons to act as liquidator of the Company (the "Liquidator"). The Liquidator (if other than the Board) shall be entitled to receive such compensation for its services as may be approved by the Board. Except as expressly provided in this Article XV, the Liquidator selected in the manner provided herein shall have and may exercise, without further authorization or consent of any of the parties hereto, all of the powers conferred upon the Board under the terms of this Agreement (but subject to all of the applicable limitations, contractual and otherwise, upon the exercise of such powers necessary or appropriate to carry out the duties and functions of the Liquidator hereunder for and during the period of time required to complete the winding up and liquidation of the Company as provided for herein.

Section 15.03 *Liquidation*.

The Liquidator shall proceed to dispose of the assets of the Company, discharge its liabilities, and otherwise wind up its affairs in such manner and over such period as determined by the Liquidator, subject to Section 18-804 of the Delaware Act and the following:

(a) The assets may be disposed of by public or private sale or by distribution in kind to one or more Members on such terms as the Liquidator and such Member or Members may agree. If any property is distributed in kind, the Member receiving the property shall be deemed for purposes of Section 15.03(c) to have received cash equal to its fair market value; and contemporaneously therewith, appropriate cash distributions must be made to the other Members. The Liquidator may defer liquidation or distribution of the Company's assets for a reasonable time if it determines that an immediate sale or distribution of all or some of the Company's assets would be impractical or would cause undue loss to the Members. The Liquidator may distribute the Company's assets, in whole or in part, in kind if it determines that a sale would be impractical or would cause undue loss to the Members.

(b) Liabilities of the Company include amounts owed to the Liquidator as compensation for serving in such capacity and amounts to Members otherwise than in respect of

their distribution rights under Article VIII. With respect to any liability that is contingent, conditional or unmatured or is otherwise not yet due and payable, the Liquidator shall either settle such claim for such amount as it thinks appropriate or establish a reserve of cash or other assets to provide for its payment. When paid, any unused portion of the reserve shall be distributed as additional liquidation proceeds.

(c) All property and all cash in excess of that required to discharge liabilities as provided in Section 15.03(b) shall be distributed to the Members in accordance with the Members' Ownership Percentages.

Section 15.04 *Certificate of Cancellation of Formation*.

Upon the completion of the distribution of Company cash and property as provided in Section 15.03 in connection with the liquidation of the Company, the Company shall be terminated and the Certificate of Formation and all qualifications of the Company as a foreign limited liability company in jurisdictions other than the State of Delaware shall be canceled and such other actions as may be necessary to terminate the Company shall be taken.

Section 15.05 *Return of Contributions*.

It is expressly understood that the return of any Capital Contributions of the Members shall be made solely from Company assets.

Section 15.06 *Waiver of Partition*.

To the maximum extent permitted by law, each Member hereby waives any right to partition of the Company property.

Section 15.07 *Capital Account Restoration*.

No Member shall have any obligation to restore any negative balance in its Capital Account upon liquidation of the Company.

ARTICLE XVI.
GENERAL PROVISIONS

Section 16.01 *Offset*.

Whenever the Company is to pay any sum to any Member, including distributions pursuant to Article VIII, any amounts that Member owes the Company, as determined by the Board, may be deducted from that sum before payment.

Section 16.02 *Amendment*.

(a) Except as provided in Section 16.02(b), (i) this Agreement shall not be altered modified or changed except by an amendment approved by Members owning (in the aggregate) 80% or more of the outstanding Units; *provided*, *however*, that no amendment to this Agreement may (A) enlarge the obligations of (including requiring any Member to make additional Capital

Contributions to the Company) any Member, (B) disproportionately and adversely alter the method of division of Profits and Losses or a method of distributions made to a Member, (C) restrict a Member's ability, if any, to designate Representatives or (D) adversely affect a Member's right to be indemnified by the Company, unless, in each case, such amendment shall have been approved by the Member or Members so affected, and (ii) any amendment not described in subclause (i) above that would have a material adverse effect on the rights or preferences of any Member in relation to other Members must be approved by such Members holding not less than a majority of the outstanding Membership Interests of the group affected.

(b) The Board may make any amendment to this Agreement and Exhibit A as necessary to reflect any issuance of additional Membership Interests or other Equity Interests, as provided in Section 3.01, and any redemption or purchase of Membership Interests or other Equity Interests, as provided in Section 9.04.

Section 16.03 *Addresses and Notices; Written Communications*.

(a) Any notice, demand, request, report or other materials required or permitted to be given or made to a Member under this Agreement shall be in writing and shall be deemed given or made when delivered in person or when sent by first class United States mail or by other means of written communication to the Member at the address set forth on Exhibit A.

(b) If a Member shall consent to receiving notices, demands, requests, reports or other materials via electronic mail, any such notice, demand, request, report or other materials shall be deemed given or made when delivered or made available via such mode of delivery. An affidavit or certificate of making of any notice, payment or report in accordance with the provisions of this Section 16.03 executed by the Company or the mailing organization shall be prima facie evidence of the giving or making of such notice, payment or report.

(c) Any notice to the Company shall be deemed given if received by the Company at the principal office of the Company designated pursuant to Section 2.03. The Company may rely and shall be protected in relying on any notice or other document from a Member or other Person if believed by it to be genuine.

(d) The terms "in writing", "written communications," "written notice" and words of similar import shall be deemed satisfied under this Agreement by use of e-mail and other forms of electronic communication.

Section 16.04 *Further Action.*

The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

Section 16.05 *Binding Effect.*

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

Section 16.06 *Integration*.

Except for agreements with Affiliates of the Company, this Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

Section 16.07 *Creditors*.

None of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Company.

Section 16.08 *Waivers*.

No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach of any other covenant, duty, agreement or condition.

Section 16.09 *Third-Party Beneficiaries*.

Each Member agrees that any Indemnitee shall be entitled to assert rights and remedies hereunder as a third-party beneficiary hereto with respect to those provisions of this Agreement affording a right, benefit or privilege to such Indemnitee.

Section 16.10 *Counterparts*.

This Agreement may be executed in counterparts, all of which together shall constitute an agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto.

Section 16.11 *Applicable Law, Forum, Venue, and Jurisdiction*.

(a) This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.

(b) Each of the Members:

(i) irrevocably agrees that any claims, suits, actions or proceedings (A) arising out of or relating in any way to this Agreement (including any claims, suits or actions to interpret, apply or enforce the provisions of this Agreement or the duties, obligations or liabilities among Members, or the rights or powers of, or restrictions on, the Members or the Company), (B) asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee of the Company, or owed by the Company, to the Members, (C) asserting a claim arising pursuant to any provision of the Delaware Act or (D) asserting a claim governed by the internal affairs doctrine shall be exclusively brought in the Court of Chancery of the State of Delaware, in each case regardless of whether such claims, suits, actions or proceedings sound in contract, tort, fraud or otherwise, are based on common law, statutory, equitable, legal or other grounds, or are derivative or direct claims;

(ii) irrevocably submits to the exclusive jurisdiction of the Court of Chancery of the State of Delaware in connection with any such claim, suit, action or proceeding;

(iii) agrees not to, and waives any right to, assert in any such claim, suit, action or proceeding that (A) it is not personally subject to the jurisdiction of the Court of Chancery of the State of Delaware or of any other court to which proceedings in the Court of Chancery of the State of Delaware may be appealed, (B) such claim, suit, action or proceeding is brought in an inconvenient forum, or (C) the venue of such claim, suit, action or proceeding is improper;

(iv) expressly waives any requirement for the posting of a bond by a party bringing such claim, suit, action or proceeding; and

(v) consents to process being served in any such claim, suit, action or proceeding by mailing, certified mail, return receipt requested, a copy thereof to such party at the address in effect for notices hereunder, and agrees that such services shall constitute good and sufficient service of process and notice thereof; *provided*, nothing in clause (v) hereof shall affect or limit any right to serve process in any other manner permitted by law.

Section 16.12 *Invalidity of Provisions*.

If any provision or part of a provision of this Agreement is or becomes for any reason, invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions and part thereof contained herein shall not be affected thereby and this Agreement shall, to the fullest extent permitted by law, be reformed and construed as if such invalid, illegal or unenforceable provision, or part of a provision, had never been contained herein, and such provision or part reformed so that it would be valid, legal and enforceable to the maximum extent possible.

[*Signature pages follow.*]

IN WITNESS WHEREOF, the Members have executed this Second Amended and Restated Limited Liability Company Agreement as of the date first written above.

MEMBERS:

NGL HOLDINGS, INC.

By:	/s/ William Zartler
Name:	William Zartler
Title:	President

KRIMGP2010, LLC

By:	/s/ H. Michael Krimbill
Name:	H. Michael Krimbil
Title:	Manager

ATKINSON INVESTORS, LLC

By:	/s/ Bradley K. Atkinson
Name:	Bradley K. Atkinson
Title:	President

INFRASTRUCTURE CAPITAL MANAGEMENT, LLC

By:	/s/ Jay D. Hatfield
Name:	Jay D. Hatfield
Title:	Managing Member

COADY ENTERPRISES, LLC

By:	/s/ Shawn Coady
Name:	Shawn Coady
Title:	Member

THORNDIKE, LLC

By: /s/ Todd Coady
Name: Todd Coady
Title: Member

SEMSTREAM, L.P.

By: SemOperating G.P., L.L.C.
as General Partner

By: SemGroup Corporation,
as Sole Member

By: /s/ Norman J. Szydlowski
Name: Norman J. Szydlowski
Title: President and CEO

DAVID EASTIN

/s/ David Eastin

STANLEY A. BUGH

/s/ Stanley A. Bugh

ROBERT R. FOSTER

/s/ Robert R. Foster

BRIAN K. PAULING

/s/ Brian K. Pauling

STANLEY D. PERRY

/s/ Stanley D. Perry

STEPHEN D. TUTTLE

/s/ Stephen D. Tuttle

CRAIG S. JONES

/s/ Craig S. Jones

DANIEL POST

/s/ Daniel Post

MARK MCGINTY

/s/ Mark McGinty

SHARRA STRAIGHT

/s/ Sharra Straight

SPOUSAL AGREEMENT

The spouse of the Member executing the Second Amended and Restated Limited Liability Company Agreement of NGL Energy Holdings LLC, dated as of November 1, 2011 (as the same may be amended), or a counterpart signature page thereto, is aware of, understands and consents to the provisions of such Agreement and its binding effect upon any community property interest or marital settlement awards she may now or hereafter own or receive, and agrees that the termination of her marital relationship with such Member for any reason shall not have the effect of removing any Membership Interests subject to such Agreement from the coverage thereof and that her awareness, understanding, consent and agreement is evidenced by her signature below.

Date: _____, 2011

Name: _____

Exhibit 2.3

FIRST AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

This FIRST AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into as of October 3, 2011, by and among NGL Energy Partners LP, a Delaware limited partnership (the "Partnership"), Hicks Oils & Hicksgas, Incorporated, an Indiana corporation ("HOH"), NGL Holdings, Inc., a Delaware corporation ("NGL Holdings"), Krim2010, LLC, an Oklahoma limited liability company ("Krimbill"), Infrastructure Capital Management, LLC, a New York limited liability company ("ICM"), Atkinson Investors, LLC, a Texas limited liability company ("Atkinson," and together with Krimbill and ICM, the "IEP Group"), Stanley A. Bugh, Robert R. Foster, Brian K. Pauling, Stanley D. Perry, Stephen D. Tuttle, Craig S. Jones, Daniel Post, Mark McGinty, Sharra Straight and David Eastin (such Holders collectively and together with HOH, NGL Holdings and the IEP Group, the "Initial Holders") and AO Energy, Inc., a Massachusetts corporation, E. Osterman, Inc., a Massachusetts corporation, E. Osterman Gas Service, Inc., a Massachusetts corporation, E. Osterman Propane, Inc., a Connecticut corporation, Milford Propane, Inc., a Massachusetts corporation, Osterman Propane, Inc., a Connecticut corporation, Propane Gas, Inc., a Massachusetts corporation, and Saveway Propane Gas Service, Inc., a Connecticut corporation (such Holders, the "Osterman Group" and together with the Initial Holders, the "Rights Holders"). The Partnership and the Rights Holders are referred to collectively herein as the "Parties."

WHEREAS, the Initial Holders previously entered into a Registration Rights Agreement dated as of October 14, 2010 (the "Original Registration Rights Agreement") and desire to amend and restate the Original Registration Rights Agreement to, among other things, add the Osterman Group as Rights Holders;

WHEREAS, the Rights Holders have acquired, and may (together with their respective Affiliates) acquire in the future, certain Registrable Securities; and

WHEREAS, as an inducement to the willingness of the Rights Holders and their respective Affiliates to hold certain Registrable Securities, the Parties desire to provide certain registration rights to the Rights Holders with respect to any Registrable Securities held by them upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Definitions**. As used in this Agreement, the following terms shall have the respective meanings set forth in this Section 1:

"5% Holder" has the meaning set forth in Section 3(o).

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question. As used in this definition, the term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise. Without

limiting the foregoing, for purposes of this Agreement, any Person that, individually or together with its Affiliates, has the direct or indirect right to designate or cause the designation of at least one member to the Board of Directors of the General Partner, and any such Person's Affiliates, shall be deemed to be Affiliates of the General Partner. Notwithstanding anything in the foregoing to the contrary, HOH and its respective Affiliates (other than the General Partner or any Group Member), on the one hand, NGL Holdings and its Affiliates (other than the General Partner or any Group Member), on another hand, the IEP Group and their respective Affiliates (other than the General Partner or any Group Member), on another hand, and the Osterman Group and their respective Affiliates (other than the General Partner or any Group Member), on another hand, will not be deemed to be Affiliates of one another hereunder unless there is a basis for such Affiliation independent of their respective Affiliation with any Group Member, the General Partner or any Affiliate (disregarding the immediately preceding sentence) of any Group Member or the General Partner.

"Agreement" has the meaning set forth in the preamble.

"Atkinson" has the meaning set forth in the preamble.

"Automatic Shelf Registration Statement" means an "automatic shelf registration statement" as defined under Rule 405.

"Business Day" means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States of America or the State of New York shall not be regarded as a Business Day.

"Commission" means the Securities and Exchange Commission.

"Common Units" has the meaning set forth in the Partnership Agreement.

"Conflicts Committee" has the meaning set forth in the Partnership Agreement.

"Contribution, Purchase and Sale Agreement" means the Contribution, Purchase and Sale Agreement, dated as of September 30, 2010, by and among the Parties, Hicksgas Gifford, Inc., an Indiana corporation, Gifford Holdings, Inc., an Indiana corporation, NGL Supply, Inc., an Oklahoma corporation, and the General Partner.

"Contribution and Sale Agreement" means the Contribution and Sale Agreement, dated as of August 12, 2011, by and among the Partnership, the Osterman Group, E. Osterman Propane, LLC, a Massachusetts limited liability company, Osterman Associated Companies, Inc., a Massachusetts corporation, Osterman Propane Storage, Limited Partnership, a Massachusetts limited partnership, V.E. Properties V, LLC, a Delaware limited liability company, V.E. Properties VI, LLC, a Delaware limited liability company, Osterman Realty of Ware, LLC, a Massachusetts limited liability company, Vincent J. Osterman, Trustee of the Pioneer Valley Real Estate Trust III, Ernest Osterman, an individual, and Vincent J. Osterman, an individual.

"Demand Notice" has the meaning set forth in Section 2(a)(i).

"Demand Registration" has the meaning set forth in Section 2(a)(i).

"Effective Date" means the time and date that a Registration Statement is first declared effective by the Commission or otherwise becomes effective.

"Effectiveness Period" has the meaning set forth in Section 2(a)(ii).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"General Partner" means NGL Energy Holdings LLC, a Delaware limited liability company, and its successors and permitted assigns that are admitted to the Partnership as general partner of the Partnership, in its capacity as general partner of the Partnership (except as the context otherwise requires).

"Group Member" means a member of the Partnership Group.

"HOH" has the meaning set forth in the preamble.

"Holder" means (i) any Rights Holder who holds Registrable Securities; or (ii) any holder of Registrable Securities to whom the registration rights conferred by this Agreement have been transferred in compliance with Section 6(e) hereof.

"ICM" has the meaning set forth in the preamble.

"IEP Group" has the meaning set forth in the preamble.

"Indemnified Persons" has the meaning set forth in Section 5(a).

"Initial Holders" has the meaning set forth in the preamble.

"Initiating Holder" has the meaning set forth in Section 2(a)(i).

"IPO Date" means May 17, 2011.

"Krimbill" has the meaning set forth in the preamble.

"Lock-Up Period" has the meaning set forth in Section 3(o).

"Losses" has the meaning set forth in Section 5(a).

"NGL Holdings" has the meaning set forth in the preamble.

"Original Registration Rights Agreement" has the meaning set forth in the recitals.

"Osterman Group" has the meaning set forth in the preamble.

"Ownership Percentage" means, with respect to a Holder, a percentage obtained by dividing (i) the sum of (a) the total number of Registrable Securities owned by such Holder and (b) the total number of Subordinated Units owned by such Holder by (ii) the total number of outstanding Common Units and the total number of outstanding Subordinated Units.

"Parties" has the meaning set forth in the preamble.

"Partnership" has the meaning set forth in the preamble.

"Partnership Agreement" means the Second Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of May 10, 2011, as amended, restated, supplemented or otherwise modified from time to time.

"Partnership Group" means the Partnership and its subsidiaries treated as a single consolidated entity.

"Person" means an individual or a corporation, firm, limited liability company, partnership, joint venture, trust, unincorporated organization, association, government agency or political subdivision thereof or other entity.

"Piggyback Notice" has the meaning set forth in Section 2(b)(i).

"Piggyback Registration" has the meaning set forth in Section 2(b)(i).

"Piggyback Request" has the meaning set forth in Section 2(b)(i).

"Proceeding" means any action, claim, suit, proceeding or investigation (including a preliminary investigation or partial proceeding, such as a deposition) pending or known to the Partnership to be threatened.

"Prospectus" means the prospectus included in a Registration Statement (including a prospectus that includes any information previously omitted from a prospectus filed as part of an effective Registration Statement in reliance upon Rule 430A, Rule 430B or Rule 430C promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all information incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"Rights Holders" has the meaning set forth in the preamble.

"Registrable Securities" means Common Units beneficially owned by a Holder, including any Common Units acquired by a Holder upon the conversion of Subordinated Units; *provided*, *however*, that Registrable Securities shall not include any Common Units: (i) that have been sold or disposed of in accordance with an effective Registration Statement covering such Common Units; (ii) that are held by any Group Member; (iii) for which Rule 144 or another exemption from registration is available to enable the Holder of such Common Units to dispose of the number of Common Units it desires to sell at the time it desires to do so without registration under the Securities Act or other similar applicable law; or (iv) that have been sold or disposed of in accordance with Rule 144 (or any similar provision then in force under the Securities Act).

"Registration Expenses" has the meaning set forth in Section 4.

"Registration Statement" means a registration statement in the form required to register the sale or resale of the Registrable Securities under the Securities Act, and including any Prospectus, amendments and supplements to each such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto, and all information incorporated by reference or deemed to be incorporated by reference in such registration statement.

"Requisite Ownership Threshold" means, with respect to any Significant Holder, the number of Registrable Securities held by such Significant Holder and its Affiliates and the number of Subordinated Units held by such Significant Holder and its Affiliates constituting at least a 4% Ownership Percentage.

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 405" means Rule 405 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 415" means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 424" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 430A" means Rule 430A promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 430B" means Rule 430B promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 430C" means Rule 430C promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Securities Act" means the Securities Act of 1933, as amended.

"Selling Expenses" means all underwriting discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel or any other advisor for any Holder.

"Shelf Registration Statement" means a "shelf" Registration Statement providing for the registration of, and the sale on a continuous or delayed basis by the Holders, of the Registrable Securities pursuant to Rule 415.

"Significant Holder" means each of (i) NGL Holdings, (ii) HOH, (iii) the IEP Group and (iv) the Osterman Group (acting together in their capacities as Holders), in each case only for so long as such Significant Holder continues to hold a Requisite Ownership Threshold.

"Subordinated Units" has the meaning set forth in the Partnership Agreement.

"Suspension" has the meaning set forth in Section 2(c)(v).

"Trading Market" means the principal national securities exchange on which the Common Units are or, as of the closing of a Demand Registration or a Piggyback Registration will be listed or admitted to trading.

"Transaction Documents" means (i) the Partnership Agreement, (ii) the First Amended and Restated Limited Liability Company Agreement of the General Partner, dated as of October 14, 2010, as amended from time to time; and (iii) with respect to the Initial Holders, the Contribution, Purchase and Sale Agreement and (iv) with respect to the Osterman Group, the Contribution and Sale Agreement.

"WKSI" means a "well known seasoned issuer" as defined under Rule 405.

The division of this Agreement into sections and other portions and the insertion of headings are for reference purposes only, and shall not affect in any way the meaning or interpretation of this Agreement. Unless otherwise indicated, all references to a "Section" followed by a number or a letter refer to the specified Section of this Agreement. The terms "this Agreement," "hereof," "herein" and "hereunder" and similar expressions refer to this Agreement as a whole and not to any particular provision of this Agreement.

Unless otherwise specifically indicated or the context otherwise requires, (i) all references to "dollars" or "$" mean United States dollars, (ii) words importing the singular shall include the plural and vice versa, and any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, (iii) "include," "includes," "including" or words of like import shall be deemed to be followed by the words "without limitation," and (iv) references to any law or statute shall include all rules and regulations promulgated thereunder, and references to any law or statute shall be construed as including any legal and statutory provisions consolidating, amending, succeeding or replacing the applicable law or statute. If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day. Reference to any Party hereto is also a reference to such Party's permitted successors and assigns.

The Parties have participated jointly in the negotiation and drafting of this Agreement. No provision of this Agreement will be interpreted in favor of, or against, any of the Parties by reason of the extent to which any such Party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft of this Agreement, and no rule of strict construction will be applied against any Party hereto.

2. **Registration.**

(a) Demand Registration.

(i) At any time following the date that is one hundred and eighty (180) days after the IPO Date, any Significant Holder that holds Registrable Securities (the "Initiating Holder") that desires to sell shall have the option and right, exercisable by delivering a written notice to the Partnership (a "Demand Notice"), to require the Partnership to, pursuant to the terms of and subject to the limitations contained in this Agreement, prepare and file with the Commission a Registration Statement registering the offering and sale of the number of Registrable Securities on the terms and conditions specified in the Demand Notice in accordance with the intended timing and method or methods of distribution thereof specified in the Demand Notice (the "Demand Registration").

(ii) Within five (5) Business Days of the receipt of the Demand Notice, the Partnership shall give written notice of such Demand Notice to all Holders and shall, subject to the limitations of this Section 2(a), use all commercially reasonable efforts to file a Registration Statement covering all of the Registrable Securities that the Holders shall in writing request (such request to be given to the Partnership within ten (10) Business Days of receipt of such notice of the Demand Notice given by the Partnership pursuant to this Section 2(a)(ii)) to be included in such Demand Registration as promptly as practicable as directed by the Initiating Holder in accordance with the terms and conditions of the Demand Notice and use commercially reasonable efforts to cause such Registration Statement to become effective under the Securities Act and remain effective under the Securities Act for not less than six (6) months following the Effective Date or such shorter period when all Registrable Securities covered by such Registration Statement have been sold (the "Effectiveness Period"); *provided*, *however*, that the Partnership shall not be required to effect the registration of Registrable Securities pursuant to this Section 2(a) unless the Registrable Securities are offered at an aggregate proposed offering price of not less than $10 million.

(iii) Subject to the other limitations contained in this Agreement, the Partnership is not obligated hereunder to effect more than (A) one (1) Demand Registration by each Significant Holder; (B) four (4) Demand Registrations in total; (C) one (1) Demand Registration on Form S-1 (or any equivalent or successor form under the Securities Act) in any twelve (12) month period; or (D) two (2) Demand Registrations on Form S-3 (or any equivalent or successor form under the Securities Act) in any twelve (12) month period.

(iv) Notwithstanding any other provision of this Section 2(a), the Partnership shall not be required to effect a registration or file a Registration Statement pursuant to this Section 2(a): (A) during the period starting with the date sixty (60) days prior to a good faith estimate, with the approval of the Board of Directors of the General Partner, of the date of filing of, and ending on a date ninety (90) days after the effective date of, a Partnership-initiated registration; *provided* that the Partnership uses commercially reasonable efforts to cause such registration statement to become effective; (B) for a period of up to ninety (90) days after the

date of a Demand Notice for registration pursuant to this Section 2(a) if at the time of such request (1) the Partnership is engaged, or has plans with the approval of the Board of Directors of the General Partner to engage, within ninety (90) days of the time of such Demand Notice, in a firm commitment underwritten public offering of Common Units in which the Holders of Registrable Securities were or will be provided the opportunity to include Registrable Securities pursuant to Section 2(b), or (2) the Partnership is currently engaged in a self-tender or exchange offer and the filing of a Registration Statement would cause a violation of the Exchange Act; or (c) for a period of up to ninety (90) days, if the Conflicts Committee, proceeding in good faith, determines that a postponement is in the best interest of the Partnership due to a pending transaction, desire to avoid disclosure of non-public information or otherwise; *provided*, *however*, that in no event shall the Partnership postpone or defer any Demand Registration pursuant to this Section 2(a)(iv) and/or Section 3(o) for more than an aggregate of one hundred and eighty (180) days in any twelve (12) month period.

(v) Notwithstanding any other provision of this Section 2(a), if (A) the Holders intend to distribute the Registrable Securities covered by a Demand Registration by means of an underwritten public offering and (B) the managing underwriter advises the Partnership that the inclusion of all of the Holders' Registrable Securities in the subject Registration Statement would have a material adverse effect on the timing or success of the offering, then the Partnership shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be reduced to equal the number of Registrable Securities that such managing underwriter advises the Partnership can be sold without having such adverse effect. The reductions shall be allocated pro rata among the Holders seeking to include their Registrable Securities in the underwriting, based, for each such Holder, on the percentage derived by dividing (A) the number of Registrable Securities owned by such Holder by (B) the total number of Registrable Securities owned by all the Holders seeking to include their Registrable Securities in the underwriting. Any Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

(vi) The Partnership may include in any such Demand Registration other Partnership securities for sale for its own account or for the account of any other Person; *provided* that if the managing underwriter for the offering determines that the number of Common Units proposed to be offered in such offering would have a material adverse effect on the timing or success of such offering, then the Registrable Securities to be sold by the Holders shall be included in such registration before any Partnership securities proposed to be sold for the account of the Partnership or any other Person.

(vii) Subject to the limitations contained in this Agreement, the Partnership shall effect any Demand Registration on Form S-3 (except if the Partnership is not then eligible to register for resale the Registrable Securities on Form S-3, in which case such Demand Registration shall be effected on another appropriate form for such purpose pursuant to the Securities Act) and if the Partnership becomes, and is at the time of its receipt of a Demand Notice, a WKSI, the Demand Registration for any offering and selling of Registrable Securities through a firm commitment underwriting shall be effected pursuant to an Automatic Shelf Registration Statement, which shall be on Form S-3 or any equivalent or successor form under the Securities Act (if available to the Partnership).

(viii) Without limiting Section 3, in connection with any Demand Registration pursuant to and in accordance with this Section 2(a), the Partnership shall (A) promptly prepare and file or cause to be prepared and filed: (1) such additional forms, amendments, supplements, prospectuses, certificates, letters, opinions and other documents, as may be necessary or advisable to register or qualify the securities subject to such Demand Registration, including under the securities laws of such states as the Holders shall reasonably request; *provided*, *however*, that no such qualification shall be required in any jurisdiction where, as a result thereof, the Partnership would become subject to general service of process or to taxation or qualification to do business in such jurisdiction solely as a result of registration and (2) such forms, amendments, supplements, prospectuses, certificates, letters, opinions and other documents as may be necessary to apply for listing or to list the Registrable Securities subject to such Demand Registration on the Trading Market and (B) do any and all other acts and things that may be necessary or appropriate or reasonably requested by the Holders to enable the Holders to consummate a public sale of such Registrable Securities in accordance with the intended timing and method or methods of distribution thereof.

(ix) In the event a Holder transfers Registrable Securities included on a Registration Statement and such Registrable Securities remain Registrable Securities following such transfer, at the request of such Holder, the Partnership shall amend or supplement such Registration Statement or related Prospectus as may be necessary in order to enable such transferee to offer and sell such Registrable Securities pursuant to such Registration Statement.

(b) Piggyback Registration.

(i) If the Partnership shall at any time propose to file a Registration Statement, other than pursuant to any Demand Registration, for an offering of Common Units for cash (whether in connection with a public offering of Common Units by the Partnership, a public offering of Common Units by unitholders, or both, but excluding an offering relating solely to an employee benefit plan, an offering relating to a transaction on Form S-4 or an offering on any registration statement form that does not permit secondary sales), the Partnership shall promptly notify all Holders of such proposal reasonably in advance of (and in any event at least five (5) Business Days before) the anticipated initial filing date of such Registration Statement (the "Piggyback Notice"). The Piggyback Notice shall offer the Holders the opportunity to include for registration in such Registration Statement the number of Registrable Securities as they may request (a "Piggyback Registration"). The Partnership shall use commercially reasonable efforts to include in each such Piggyback Registration such Registrable Securities for which the Partnership has received written requests within three (3) days after mailing of the Piggyback Notice ("Piggyback Request") for inclusion therein. If a Holder decides not to include all of its Registrable Securities in any Registration Statement thereafter filed by the Partnership, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Partnership with respect to offerings of Common Units, all upon the terms and conditions set forth herein.

(ii) If the Registration Statement under which the Partnership gives notice under this Section 2(b) is for an underwritten offering, the Partnership shall so advise the Holders of Registrable Securities. In such event, the right of any such Holder to be included in a registration pursuant to this Section 2(b) shall be conditioned upon such Holder's participation in

such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. If the managing underwriter or managing underwriters of such offering advise the Partnership in writing that, in their opinion, the inclusion of all of such Holders' Registrable Securities in the subject Registration Statement would have a material adverse effect on the timing or success of the offering, the Partnership shall include in such offering only that number or amount, if any, of Registrable Securities held by the Holders that, in the opinion of the managing underwriter or managing underwriters, will not have a material adverse effect on the timing or success of the offering. Any reductions in the amount of Registrable Securities to be included in the underwriting shall be allocated pro rata among the Holders seeking to include their Registrable Securities in the underwriting, based, for each such Holder, on the percentage derived by dividing (A) the number of Registrable Securities owned by such Holder by (B) the total number of Registrable Securities owned by all the Holders seeking to include their Registrable Securities in the underwriting. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Partnership and the managing underwriter(s) delivered on or prior to the time of pricing of such offering. Any Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

(iii) The Partnership shall have the right to terminate or withdraw any registration initiated by it under this Section 2(b) prior to the Effective Date of such Registration Statement whether or not any Holder has elected to include Registrable Securities in such Registration Statement. The registration expenses of such withdrawn registration shall be borne by the Partnership in accordance with Section 4 hereof.

(c) General Provisions.

(i) All registration rights granted under this Section 2 shall continue to be applicable with respect to any Holder for so long as may be required for each such Holder to sell all of the Registrable Securities held by such Holder as provided in this Agreement.

(ii) Any Demand Notice or Piggyback Request shall (i) specify the Registrable Securities intended to be offered and sold by the Holder making the request, (ii) express such Holder's present intent to offer such Registrable Securities for distribution, (iii) describe the nature or method of the proposed offer and sale of Registrable Securities and (iv) contain the undertaking of such Holder to provide all such information and materials and take all action as may reasonably be required in order to permit the Partnership to comply with all applicable requirements in connection with the registration of such Registrable Securities.

(iii) No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

(iv) The Partnership has not entered into any agreement which (a) conflicts with the provisions hereof in any material respect or (b) would allow any holder of Common Units (other than the General Partner) to include Common Units in any Registration Statement filed by the Partnership on a basis that is superior or more favorable in any material respect to the rights granted to the Significant Holders hereunder.

(v) Notwithstanding any provision of this Agreement to the contrary, the Partnership may voluntarily suspend the effectiveness of any Shelf Registration Statement or may otherwise require the discontinuance of offers under the Shelf Registration Statement for a period of up to ninety (90) days if the Conflicts Committee, proceeding in good faith, determines the offering of any Registrable Securities pursuant to such Shelf Registration Statement would not be in the best interests of the Partnership due to a pending transaction, desire to avoid disclosure of non-public information or otherwise (in either case, a "Suspension"); *provided*, *however*, that in no event shall the Partnership effect Suspensions under this Section 2(c)(v) for more than an aggregate of one hundred and eighty (180) days in any twelve (12) month period. The Partnership shall notify each Holder eligible to sell Registrable Securities under such Shelf Registration Statement as promptly as reasonably practicable of any Suspensions and, upon receipt of such notice, each such Holder shall forthwith discontinue disposition of such Registrable Securities under such Shelf Registration Statement until such Holder's receipt of the copies of the supplemental Prospectus or amended Shelf Registration Statement or until it is advised in writing by the Partnership that the use of the applicable Prospectus may be resumed, and, in either case, has received copies of any additional or supplemental filings that are incorporated or deemed to be incorporated by reference in such Shelf Registration Statement.

3. **Registration Procedures.**

The procedures to be followed by the Partnership and each Holder electing to sell Registrable Securities in a Registration Statement pursuant to this Agreement, and the respective rights and obligations of the Partnership and such Holders, with respect to the preparation, filing and effectiveness of such Registration Statement, are as follows:

(a) The Partnership will, at least three (3) Business Days prior to the anticipated filing of a Registration Statement or any related Prospectus or any amendment or supplement thereto (other than amendments and supplements filed principally for the purpose of naming Holders and providing information with respect thereto), (i) unless available to the Holders through public filings with the Commission, furnish to such Holders copies of all such documents proposed to be filed and (ii) give good faith consideration to such comments as any Significant Holder reasonably shall propose within two (2) Business Days of the delivery of such copies to such Significant Holder.

(b) The Partnership will use commercially reasonable efforts to as promptly as reasonably practicable (i) prepare and file with the Commission such amendments, including post-effective amendments, and supplements to each Registration Statement and the Prospectus used in connection therewith as may be necessary under applicable law to keep such Registration Statement continuously effective with respect to the disposition of all Registrable Securities covered thereby for its Effectiveness Period and, subject to the limitations contained in this Agreement, prepare and file with the Commission such additional Registration Statements in order to register for resale under the Securities Act all of the Registrable Securities held by the applicable Holders; (ii) cause the related Prospectus to be amended or supplemented by any required prospectus supplement, and as so supplemented or amended to be filed pursuant to Rule 424; and (iii) respond to any comments received from the Commission with respect to each Registration Statement or any amendment thereto and, as promptly as reasonably practicable, provide such Holders true and complete copies of all correspondence from and to the

Commission relating to such Registration Statement that pertains to such Holders as selling Holders, but not any comments that would result in the disclosure to such Holders of material and non-public information concerning the Partnership.

(c) The Partnership will comply in all material respects with the provisions of the Securities Act and the Exchange Act with respect to the Registration Statements and the disposition of all Registrable Securities covered by each Registration Statement.

(d) The Partnership will notify such Holders as promptly as reasonably practicable: (i)(A) when a Prospectus or any prospectus supplement or post-effective amendment to a Registration Statement is proposed to be filed, (B) when the Commission notifies the Partnership whether there will be a "review" of such Registration Statement and whenever the Commission comments in writing on such Registration Statement (in which case the Partnership shall provide true and complete copies thereof and all written responses thereto to each of such Holders that pertain to such Holders as selling Holders, but not information which the Partnership believes would constitute material and non-public information); and (C) with respect to each Registration Statement or any post-effective amendment thereto, when the same has been declared effective; (ii) of any request by the Commission or any other federal or state governmental authority for amendments or supplements to a Registration Statement or Prospectus or for additional information that pertains to such Holders as sellers of Registrable Securities; (iii) of the issuance by the Commission of any stop order suspending the effectiveness of a Registration Statement covering any or all of the Registrable Securities or the initiation of any Proceedings for that purpose; (iv) of the receipt by the Partnership of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any Proceeding for such purpose; and (v) of the occurrence of (but not the nature or details concerning) any event or passage of time that makes any statement made in such Registration Statement or Prospectus or any document incorporated or deemed to be incorporated therein by reference untrue in any material respect or that requires any revisions to such Registration Statement, Prospectus or other documents so that, in the case of such Registration Statement or the Prospectus, as the case may be, it will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (*provided, however*, that no notice by the Partnership shall be required pursuant to this clause (v) in the event that the Partnership either promptly files a prospectus supplement to update the Prospectus or a Form 8-K or other appropriate Exchange Act report that is incorporated by reference into the Registration Statement, which in either case, contains the requisite information that results in such Registration Statement no longer containing any untrue statement of material fact or omitting to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading).

(e) The Partnership will use commercially reasonable efforts to avoid the issuance of, or, if issued, obtain the withdrawal of (i) any order suspending the effectiveness of a Registration Statement, or (ii) any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction, at the earliest practicable time, or if any such order or suspension is made effective during any Suspension period, at the earliest practicable time after the Suspension period is over.

(f) During the Effectiveness Period, the Partnership will furnish to each such Holder, without charge, at least one (1) conformed copy of each Registration Statement and each amendment thereto and all exhibits to the extent requested by such Holder (including those incorporated by reference) promptly after the filing of such documents with the Commission; *provided*, that the Partnership will not have any obligation to provide any document pursuant to this clause that is available on the Commission's EDGAR system.

(g) The Partnership will promptly deliver to each Holder, without charge, as many copies of each Prospectus or Prospectuses (including each form of prospectus) and each amendment or supplement thereto as such Holder may reasonably request during the Effectiveness Period. The Partnership consents to the use of such Prospectus and each amendment or supplement thereto by each of the selling Holders in connection with the offering and sale of the Registrable Securities covered by such Prospectus and any amendment or supplement thereto.

(h) The Partnership will have caused or will cause, as the case may be, all Registrable Securities registered pursuant to this Agreement to be listed on the Trading Market and will have provided or will provide, as the case may be, a transfer agent and registrar for Registrable Securities covered by a Registration Statement not later than the Effective Date of such Registration Statement.

(i) The Partnership will cooperate with such Holders to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be delivered to a transferee pursuant to a Registration Statement, which certificates shall be free of all restrictive legends indicating that the Registrable Securities are unregistered or unqualified for resale under the Securities Act, Exchange Act or other applicable securities laws, and to enable such Registrable Securities to be in such denominations and registered in such names as any such Holder may request in writing. In connection therewith, if required by the Partnership's transfer agent, the Partnership will promptly, after the Effective Date of the Registration Statement, cause to be delivered to its transfer agent appropriate authorizations, certificates and directions required by the transfer agent which authorize and direct the transfer agent to issue such Registrable Securities without any such legend upon sale by the Holder of such Registrable Securities under the Registration Statement.

(j) Upon the occurrence of any event contemplated by Section 3(d)(v), as promptly as reasonably possible, the Partnership will prepare a supplement or amendment, including a post-effective amendment, if required by applicable law, to the affected Registration Statement or a supplement to the related Prospectus or any document incorporated or deemed to be incorporated therein by reference, and file any other required document so that, as thereafter delivered, no Registration Statement nor any Prospectus will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Such Holders may distribute the Registrable Securities by means of an underwritten offering; *provided* that (i) such Holders provide written notice to the Partnership of their intention to distribute Registrable Securities by means of an underwritten offering, (ii) the

right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein, (iii) the managing underwriter or managing underwriters thereof shall be designated by the Initiating Holder in the case of a Demand Registration (*provided, however*, that such designated managing underwriter or managing underwriters shall be reasonably acceptable to the Partnership) or by the Partnership in the case of a registration initiated by the Partnership, (iv) each Holder participating in such underwritten offering agrees to enter into an underwriting agreement in customary form and sell such Holder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Persons entitled to select the managing underwriter or managing underwriters hereunder and (v) each Holder participating in such underwritten offering completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements. The Partnership hereby agrees with each Holder that, in connection with any underwritten offering in accordance with the terms hereof, it will negotiate in good faith and execute all indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements, including using all commercially reasonable efforts to procure customary legal opinions and auditor "comfort" letters.

(l) In the event such Holders seek to complete an underwritten offering, for a reasonable period prior to the filing of any Registration Statement and throughout the Effectiveness Period, the Partnership will make available upon reasonable notice at the Partnership's principal place of business or such other reasonable place for inspection by the managing underwriter or managing underwriters selected in accordance with Section 3(k) such financial and other information and books and records of the Partnership, and cause the officers, employees, counsel and independent certified public accountants of the Partnership to respond to such inquiries, as shall be reasonably necessary (and in the case of counsel, not violate an attorney-client privilege in such counsel's reasonable belief) to conduct a reasonable investigation within the meaning of Section 11 of the Securities Act.

(m) In connection with any registration of Registrable Securities pursuant to this Agreement, the Partnership will take all commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of Registrable Securities by such Holders, including using commercially reasonable efforts to cause appropriate officers and employees to be available, on a customary basis and upon reasonable notice, to meet with prospective investors in presentations, meetings and road shows.

(n) The Partnership will have no obligation to include in a Registration Statement or Piggyback Registration Registrable Securities of a Holder who has failed to timely furnish such information which, in the opinion of counsel to the Partnership, is reasonably required in order for the Registration Statement or related Prospectus to comply with the Securities Act.

(o) In connection with any underwritten offering of Common Units, each Holder beneficially owning five percent (5%) or more of the Partnership's voting securities (each a "5% Holder") hereby agrees that such Holder shall not sell, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the

same economic effect as a sale of, any Common Units held by such Holder (other than those included in such offering) for a period specified by the representative of the underwriters of Common Units not to exceed ninety (90) days following the closing date of the offering of Common Units (the "Lock-Up Period"); *provided* that all officers and directors of the General Partner and holders of at least five percent (5%) of the Partnership's voting securities enter into similar agreements and only if such Persons remain subject thereto (and are not released from such agreement) for such Lock-Up Period. In addition, if (A) during the last seventeen (17) days of the Lock-Up Period, the Partnership issues an earnings release or material news or a material event relating to the Partnership occurs or (B) prior to the expiration of the Lock-Up Period, the Partnership announces that it will release earnings results during the sixteen (16) day period beginning on the last day of the Lock-Up Period, then the restrictions imposed by this Section 3(o) shall continue to apply until the expiration of the eighteen (18) day period beginning on the issuance of the earnings release or the announcement of the material news or the occurrence of the material event. Each 5% Holder agrees to execute and deliver such other agreements as may be reasonably requested by the Partnership or the underwriter which are consistent with the foregoing or which are necessary to give further effect thereto. In addition, if requested by the Partnership or the representative of the underwriters of Common Units, each Holder shall provide, within three (3) days of such request, such information as may be required by the Partnership or such representative in connection with the completion of any public offering of the Common Units pursuant to a Registration Statement. The obligations described in this Section 3(o) shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Partnership may impose stop-transfer instructions with respect to the Common Units subject to the foregoing restriction until the end of the Lock-Up Period.

4. **Registration Expenses.** All Registration Expenses incident to the Parties' performance of or compliance with their respective obligations under this Agreement or otherwise in connection with any Demand Registration or Piggyback Registration (excluding any Selling Expenses) shall be borne by the Partnership, whether or not any Registrable Securities are sold pursuant to a Registration Statement. "Registration Expenses" shall include, without limitation, (i) all registration and filing fees (including fees and expenses (A) with respect to filings required to be made with the Trading Market, (B) in connection with any filings required to be made with the Financial Industry Regulatory Authority, Inc. and (C) in compliance with applicable state securities or "Blue Sky" laws), (ii) printing expenses (including expenses of printing certificates for Common Units and of printing prospectuses if the printing of prospectuses is reasonably requested by a Holder of Registrable Securities included in the Registration Statement), (iii) messenger, telephone and delivery expenses, (iv) fees and expenses of counsel (including local and special), auditors and accountants (including the expenses of any "cold comfort" letters required or incidental to the performance of such obligations) for the Partnership, (v) Securities Act liability insurance, if the Partnership so desires such insurance, (vi) fees and expenses of all other Persons retained by the Partnership in connection with the consummation of the transactions contemplated by this Agreement, (vii) the costs and expenses related to investor presentations on any road show undertaken in connection with the marketing of the Common Units, including, expenses associated with any electronic road show, travel and lodging expenses of the underwriters and officers and employees of the General Partner or any Group Member, (viii) the costs and expenses of qualifying the Common Units for inclusion in

the book-entry settlement system of the DTC and (ix) the fees and expenses of the transfer agent and registrar. In addition, the Partnership shall be responsible for all of its expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including expenses payable to third parties and including all salaries and expenses of their officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on the Trading Market. All Selling Expenses shall be borne by the selling Holders pro rata in proportion to the number of Registrable Securities sold by each selling Holder or as they may otherwise agree.

5. **Indemnification**.

(a) By the Partnership. If underwriters are engaged in connection with any registration referred to in Section 2, the Partnership shall provide indemnification, representations, covenants, opinions and other assurances to the underwriters in form and substance reasonably satisfactory to such underwriters and the Partnership. In the event of a registration of any Registrable Securities under the Securities Act pursuant to this Agreement, in addition to and not in limitation of the Partnership's obligations under Section 7.7 of the Partnership Agreement, the Partnership shall indemnify and hold harmless each Holder thereunder, its directors and officers, and each Person, if any, who controls such Holder within the meaning of the Securities Act and the Exchange Act, and any agent thereof (collectively, "Indemnified Persons"), to the fullest extent permitted by applicable law, from and against any losses, claims, damages, liabilities, joint or several, costs (including reasonable costs of preparation and reasonable attorneys' fees) and expenses, judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any Indemnified Person may be involved, or is threatened to be involved, as a party or otherwise, under the Securities Act or otherwise (collectively, "Losses"), as incurred, arising out of, based upon or resulting from any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, the related Prospectus, preliminary prospectus or free writing prospectus, or any amendment or supplement thereto, or arise out of, are based upon or resulting from the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading; *provided*, *however*, that the Partnership shall not be liable in any such case or to any Indemnified Person to the extent that any such Loss arises out of, is based upon or results from an untrue statement or alleged untrue statement or omission or alleged omission so made in reliance upon or in conformity with information furnished by or on behalf of such Indemnified Person in writing specifically for use in the preparation of the Registration Statement, the related Prospectus, preliminary prospectus or free writing prospectus, or any amendment or supplement thereto. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Person, and shall survive the transfer of such securities by such Holder.

(b) By Each Holder. Each Holder agrees, severally and not jointly, to indemnify and hold harmless the Partnership, its directors and officers, and each Person, if any, who controls the Partnership within the meaning of the Securities Act or of the Exchange Act (excluding such indemnifying Holder) to the same extent as the foregoing indemnity from the

Partnership to the Indemnified Persons, but only with respect to information furnished in writing by or on behalf of such Holder specifically for use in the preparation of the Registration Statement, the related Prospectus, preliminary prospectus or free writing prospectus, or any amendment or supplement thereto.

6. **Miscellaneous**.

(a) Discontinued Disposition. Each Holder agrees by its acquisition of such Registrable Securities that, upon receipt of a notice from the Partnership of the occurrence of any event of the kind described in clauses (ii) through (v) of Section 3(d), such Holder shall forthwith discontinue disposition of such Registrable Securities under the Registration Statement until such Holder's receipt of the copies of the supplemental Prospectus or amended Registration Statement or until it is advised in writing by the Partnership that the use of the applicable Prospectus may be resumed, and, in either case, has received copies of any additional or supplemental filings that are incorporated or deemed to be incorporated by reference in such Prospectus or Registration Statement. The Partnership may provide appropriate stop orders to enforce the provisions of this Section 6(a).

(b) Specific Performance. Damages in the event of breach of this Agreement by a Party may be difficult, if not impossible, to ascertain, and it is therefore agreed that each such Party, in addition to and without limiting any other remedy or right it may have, will have the right to an injunction or other equitable relief in any court of competent jurisdiction, enjoining any such breach, and enforcing specifically the terms and provisions hereof, and each of the Parties hereby waives any and all defenses it may have on the ground of lack of jurisdiction or competence of the court to grant such an injunction or other equitable relief. The existence of this right will not preclude any such Party from pursuing any other rights and remedies at law or in equity which such Party may have.

(c) Amendments. Except as provided below, this Agreement may be amended only by means of a written amendment signed by the Partnership and the Holders of 50% of the then-outstanding Registrable Securities; *provided, however*, that no such amendment shall materially and adversely affect the rights of any Holder hereunder without the consent of such Holder. Notwithstanding the foregoing, this Agreement may be amended by the General Partner in its sole discretion and without any further approval rights or action by or on behalf of the Holders to (i) effect the inclusion of additional Persons as parties to this Agreement and as a Significant Holder or Significant Holders and such other necessary related revisions in connection with the issuance by the Partnership of any Common Units or other partnership securities which are issued in connection with any acquisition or similar transaction involving the Partnership or any Group Member, (ii) increase the number of Demand Registrations contemplated under Section 2(a)(iii) on account of the inclusion of such additional Persons as contemplated by subsection (i) of this sentence, or (iii) decrease the Requisite Ownership Threshold in connection with and to take into account the inclusion of such additional Persons as contemplated by subsection (i) of this sentence. In addition, any amendment which is made to (i) effect the inclusion of additional Persons as parties to this Agreement and as a Significant Holder or Significant Holders (whether or not in connection with the issuance by the Partnership of any Common Units or other partnership securities which are issued in connection with an acquisition or similar transaction involving the Partnership or any Group Member) and such other necessary

related revisions, (ii) increase the number of Demand Registrations contemplated under Section 2(a)(iii) on account of the inclusion of such additional Persons as contemplated by subsection (i) of this sentence, or (iii) decrease the Requisite Ownership Threshold in connection with and to take into account the inclusion of such additional Persons as contemplated by subsection (i) of this sentence shall be deemed not to materially and adversely affect the rights of any Holder and may therefore be effected by means of a written amendment signed by the Partnership and the Holders of 50% of the then-outstanding Registrable Securities. The Partnership shall provide prior notice to all Significant Holders of any proposed amendment.

(d) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by facsimile, courier service, email or personal delivery:

(i) if to a Holder, at (A) the most current mailing address given by such Holder to the Partnership in accordance with the provisions of this Section 6(d), which addresses initially are, with respect to the Holders, the addresses or email addresses set forth with respect to such Holder's name in the signature pages hereto;

(ii) if to a transferee of a Holder, to such Holder at the mailing address or email address provided pursuant to Section 6(e); and

(iii) if to the Partnership, at the most current mailing address or email address, notice of which is given by the Partnership in accordance with the provisions of this Section 6(d), which address is initially 6120 S. Yale, Suite 805, Tulsa, OK 74136 or Email: cjones@ngl-supply.com, Attention: Craig Jones.

All such notices and communications shall be deemed to have been received (i) at the time delivered by hand, if personally delivered; (ii) when receipt is acknowledged, if sent via email; (iii) the date of transmission, if such notice or communication is delivered via facsimile prior to 5:00 p.m. (Central Time) on a Business Day; (iv) the Business Day after the date of transmission, if such notice or communication is delivered via facsimile later than 5:00 p.m. (Central Time) on any date and earlier than 11:59 p.m. (Central Time) on such date; or (v) when actually received, if sent by any other means. Parties may update their notice addresses by providing notice to the other Parties pursuant to the provisions of this Section 6(d).

(e) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns. Except as provided in this Section 6(e), this Agreement, and any rights or obligations hereunder, may not be assigned without the prior written consent of the Partnership and the Significant Holders. Notwithstanding anything in the foregoing to the contrary, the registration rights of a Holder pursuant to this Agreement with respect to all or any portion of its Registrable Securities may be assigned without such consent (but only with all related obligations) with respect to such Registrable Securities (and any Registrable Securities issued as a dividend or other distribution with respect to, in exchange for or in replacement of such Registrable Securities) by such Holder to a transferee of such Registrable Securities; *provided* (i) the transfer of the underlying Registrable Securities was made in accordance with the terms of the Partnership Agreement; (ii) the Partnership is, promptly after such transfer, furnished with written notice of the name, mailing address and email address of such transferee

or assignee and the Registrable Securities with respect to which such registration rights are being assigned; and (iii) such transferee or assignee agrees in writing to be bound by and subject to the terms set forth in this Agreement. The Partnership may not assign its respective rights or obligations hereunder without the prior written consent of each of the Significant Holders.

(f) Execution and Counterparts. This Agreement may be executed in counterparts, all of which together shall constitute an agreement binding on all the Parties hereto, notwithstanding that all such Parties are not signatories to the original or the same counterpart. Each Party shall become bound by this Agreement immediately upon affixing its signature hereto. In the event that any signature is delivered by facsimile or electronic mail transmission, such signature shall create a valid binding obligation of the Party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such signature delivered by facsimile or electronic mail transmission were the original thereof.

(g) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to the principles of conflicts of law.

(h) Submission to Jurisdiction. Each of the Parties irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Court of Chancery of the State of Delaware, and any appellate court from and thereof, in any action or proceeding arising out of or relating to this Agreement, or for the recognition or enforcement of any judgment, and each of the Parties irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Delaware court or, to the fullest extent permitted by applicable law, in such federal court. The Parties agree that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(i) Waiver of Venue. The Parties irrevocably and unconditionally waive, to the fullest extent permitted by applicable law, (i) any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any court referred to in Section 6(h) and (ii) the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(j) Cumulative Remedies. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

(k) Invalidity of Provisions. If any provision or part of a provision of this Agreement is or becomes for any reason, invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions and part thereof contained herein shall not be affected thereby and this Agreement shall, to the fullest extent permitted by law, be reformed and construed as if such invalid, illegal or unenforceable provision, or part of a provision, had never been contained herein, and such provision or part reformed so that it would be valid, legal and enforceable to the maximum extent possible.

(l) Entire Agreement. This Agreement, together with the other Transaction Documents, constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all prior contracts or agreements with respect to the subject matter hereof and the matters addressed or governed hereby or in the other Transaction Documents, whether oral or written. Without limiting the foregoing, each of the Parties acknowledges and agrees that (i) this Agreement is being executed and delivered in connection with each of the other Transaction Documents and the transactions contemplated hereby and thereby, (ii) the performance of this Agreement and the other Transaction Documents and expected benefits herefrom and therefrom are a material inducement to the willingness of the Parties to enter into and perform this Agreement and the other Transaction Documents and the transactions described herein and therein, (iii) the Parties would not have been willing to enter into this Agreement in the absence of the entrance into, performance of, and the economic interdependence of, the Transaction Documents, (iv) the execution and delivery of this Agreement and the other Transaction Documents and the rights and obligations of the parties hereto and thereto are interrelated and part of an integrated transaction being effected pursuant to the terms of this Agreement and the other Transaction Documents, (v) irrespective of the form such documents have taken, or otherwise, the transactions contemplated by this Agreement and the other Transaction Documents are necessary elements of one and the same overall and integrated transaction, (vi) the transactions contemplated by this Agreement and by the other Transaction Documents are economically interdependent and (vii) such Party will cause any of its successors or permitted assigns to expressly acknowledge and agree to this Section 6(l) prior to any assignment or transfer of this Agreement, by operation of law or otherwise.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

NGL ENERGY PARTNERS LP

By: NGL Energy Holdings LLC,
its General Partner

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

HICKS OILS & HICKSGAS, INCORPORATED

By: /s/ Shawn W. Coady
Shawn W. Coady
Vice President
Attention: Todd M. Coady
Shawn W. Coady
Email: toddc@hicksoffice.com
shawnc@hicksoffice.com

NGL HOLDINGS, INC.

By: /s/ William A. Zartler
William A. Zartler
Director
Attention: William A Zartler
Email: bill.zartler@denhamcapital.com

KRIM2010, LLC

By: /s/ H. Michael Krimbill
H. Michael Krimbill
Manager
Attention: H. Michael Krimbill
Email: michael.krimbill@nglep.com

INFRASTRUCTURE CAPITAL MANAGEMENT, LLC

By: /s/ Jay Hatfield
Jay Hatfield
Manager
Attention: Jay Hatfield
Email: jay.hatfield@infracapllc.com

ATKINSON INVESTORS, LLC

By: /s/ Bradley K. Atkinson
Bradley K. Atkinson
Manager
Attention: Bradley K. Atkinson
Email: atkinsonbk@aol.com

/s/ Stanley A. Bugh
Stanley A. Bugh
Address: 5537 E. 106th Place
Tulsa, OK 74137
Email: stan.bugh@nglep.com

/s/ Robert R. Foster
Robert R. Foster
Address: 58 Aberdeen Crossing Place
The Woodlands, TX 77381
Email: bob.foster@nglep.com

/s/ Brian K. Pauling
Brian K. Pauling
Address: 6109 E. 106th Street
Tulsa, OK 74137
Email: brian.pauling@nglep.com

/s/ Stanley D. Perry
Stanley D. Perry
Address: 7309 S. 5th Street
Broken Arrow, OK 74011
Email: stan.perry@nglep.com

/s/ Stephen D. Tuttle

Stephen D. Tuttle
Address: 6211 E. 105th Street
Tulsa, OK 74137
Email: steve.tuttle@nglep.com

/s/ Craig S. Jones

Craig S. Jones
Address: 3451 E. 87th Place
Tulsa, OK 74137
Email: craig.jones@nglep.com

/s/ Daniel Post

Daniel Post
Address: 12800 W. 123rd Court
Overland Park, KS 66213
Email: dpost2@kc.rr.com

/s/ Mark McGinty

Mark McGinty
Address: 5416 E. 109th Street
Tulsa, OK 74137
Email: mark.mcginty@nglep.com

/s/ Sharra Straight

Sharra Straight
Address: 8422 S. 71st East Avenue
Tulsa, OK 74133
Email: sharra.straight@nglep.com

/s/ David Eastin

David Eastin
Address: 1095 Sunset Rd.
Brentwood, TN 37027
Email: david.eastin@nglep.com

AO ENERGY, INC.

By: /s/ Vincent J. Osterman
Vincent J. Osterman
President
Attention: Vincent J. Osterman
Email: vosterman@ostermangas.com

E. OSTERMAN GAS SERVICE, INC.

By: /s/ Vincent J. Osterman
Vincent J. Osterman
President
Attention: Vincent J. Osterman
Email: vosterman@ostermangas.com

E. OSTERMAN, INC.

By: /s/ Vincent J. Osterman
Vincent J. Osterman
President
Attention: Vincent J. Osterman
Email: vosterman@ostermangas.com

E. OSTERMAN PROPANE, INC.

By: /s/ Vincent J. Osterman
Vincent J. Osterman
President
Attention: Vincent J. Osterman
Email: vosterman@ostermangas.com

MILFORD PROPANE, INC.

By: /s/ Vincent J. Osterman
Vincent J. Osterman
President
Attention: Vincent J. Osterman
Email: vosterman@ostermangas.com

OSTERMAN PROPANE, INC.

By: /s/ Vincent J. Osterman
Vincent J. Osterman
President
Attention: Vincent J. Osterman
Email: vosterman@ostermangas.com

PROPANE GAS, INC.

By: /s/ Vincent J. Osterman
Vincent J. Osterman
President
Attention: Vincent J. Osterman
Email: vosterman@ostermangas.com

SAVEWAY PROPANE GAS SERVICE, INC.

By: /s/ Vincent J. Osterman
Vincent J. Osterman
President
Attention: Vincent J. Osterman
Email: vosterman@ostermangas.com

Exhibit 2.4

AMENDMENT NO. 1 AND JOINDER TO FIRST AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

This Amendment No. 1 and Joinder to First Amended and Restated Registration Rights Agreement (this "Amendment") is dated as of November 1, 2011 by and between NGL Energy Holdings LLC, a Delaware limited liability company (the "General Partner"), and SemStream, L.P., a Delaware limited partnership ("SemStream"). Capitalized terms used but not defined herein have the meanings ascribed to them in the Registration Rights Agreement (as defined below).

R E C I T A L S

WHEREAS, NGL Energy Partners LP, a Delaware limited partnership (the "Partnership"), acting through the General Partner, is party to that certain First Amended and Restated Registration Rights Agreement dated as of October 3, 2011 (the "Registration Rights Agreement");

WHEREAS, reference is hereby made to that certain Contribution Agreement dated as of August 31, 2011 by and among SemStream, NGL Supply Terminal Company, LLC, the Partnership and the General Partner (as amended, restated, supplemented or otherwise modified, the "Contribution Agreement");

WHEREAS, the execution and delivery of this Amendment is a condition precedent to the consummation of the transactions contemplated under the Contribution Agreement;

WHEREAS, pursuant to Section 6(c) of the Registration Rights Agreement, the General Partner may amend the Registration Rights Agreement in its sole discretion and without any further approval rights or action by or on behalf of the Holders in connection with the transactions contemplated by the Contribution Agreement; and

WHEREAS, the General Partner desires to join SemStream as a party thereto in a capacity as a Rights Holder and amend the Registration Rights Agreement as set forth below.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby covenant and agree:

1. Amendment of Registration Rights Agreement.

(a) The fourth sentence of the definition of "Affiliate" set forth in Section 1 of the Registration Rights Agreement is hereby amended and restated in its entirety to read as follows:

> Notwithstanding anything in the foregoing to the contrary, HOH and its respective Affiliates (other than the General Partner or any Group Member), on the one hand, NGL Holdings and its Affiliates (other than the General Partner or any Group Member), on another hand, the IEP Group and their respective Affiliates

(other than the General Partner or any Group Member), on another hand, the Osterman Group and their respective Affiliates (other than the General Partner or any Group Member), on another hand, and SemStream and its Affiliates (other than the General Partner or any Group Member), on the other hand, will not be deemed to be Affiliates of one another hereunder unless there is a basis for such Affiliation independent of their respective Affiliation with any Group Member, the General Partner or any Affiliate (disregarding the immediately preceding sentence) of any Group Member or the General Partner.

(b) The definitions of "Significant Holder" and "Transaction Documents" set forth in Section 1 of the Registration Rights Agreement are hereby amended and restated in their entirety to read as follows:

"Significant Holder" means each of (i) NGL Holdings, (ii) HOH, (iii) the IEP Group, (iv) the Osterman Group (acting together in their capacities as Holders) and (v) SemStream, in each case only for so long as such Significant Holder continues to hold a Requisite Ownership Threshold.

"Transaction Documents" means (i) the Partnership Agreement, (ii) the First Amended and Restated Limited Liability Company Agreement of the General Partner, dated as of October 14, 2010, as amended from time to time, (iii) with respect to the Initial Holders, the Contribution, Purchase and Sale Agreement, (iv) with respect to the Osterman Group, the Contribution and Sale Agreement and (v) with respect to SemStream, the SemStream–NGL Contribution Agreement.

(c) Section 1 of the Registration Rights Agreement is hereby amended to add the following definitions of "SemStream" and "SemStream–NGL Contribution Agreement" thereto:

"SemStream" means SemStream, L.P., a Delaware limited partnership.

"SemStream–NGL Contribution Agreement" means the Contribution Agreement, dated as of August 31, 2011, by and among SemStream, the Partnership, the General Partner and NGL Supply Terminal Company LLC, a Delaware limited liability company, as amended, restated, supplemented or otherwise modified from time to time.

(d) Section 2(a)(iii) of the Registration Rights Agreement is hereby amended and restated in its entirety to read as follows:

(iii) Subject to the other limitations contained in this Agreement, the Partnership is not obligated hereunder to effect more than (A) one (1) Demand Registration by each Significant Holder other than SemStream, which shall have two Demand Registrations; (B) six (6) Demand Registrations in total; (C) one (1) Demand Registration on Form S-1 (or any equivalent or successor form under the Securities Act) in any twelve (12) month period; or (D) two (2) Demand

Registrations on Form S-3 (or any equivalent or successor form under the Securities Act) in any twelve (12) month period.

2. Joinder.

(a) SemStream acknowledges receipt of a copy of the Registration Rights Agreement and, after review and examination thereof, by execution of this Amendment does hereby agree to be bound by the terms, conditions and agreements contained therein in its capacity as a Rights Holder thereunder.

(b) By execution hereof, the General Partner hereby (i) accepts SemStream's agreement to be bound by the Registration Rights Agreement, (ii) covenants and agrees that the Registration Rights Agreement is hereby amended to include SemStream as a party in a capacity as a Rights Holder and (iii) agrees that SemStream shall have all rights provided to a Rights Holder under the Registration Rights Agreement.

3. Miscellaneous.

(a) From and after the date hereof, each reference in the Registration Rights Agreement to "this Agreement," "hereunder," "hereof," "herein," or words of like import, shall mean and be a reference to the Registration Rights Agreement as amended hereby.

(b) Except as specifically set forth above, the Registration Rights Agreement shall remain unaltered and in full force and effect and the respective terms, conditions or covenants thereof are hereby in all respects ratified and confirmed.

(c) This Amendment shall be governed by and construed in accordance with the laws of the State of Delaware without regard to the principles of conflicts of law.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and deliver this Amendment No. 1 and Joinder to First Amended and Restated Registration Rights Agreement on the date first written above.

NGL ENERGY HOLDINGS LLC

By: /s/ H. Michael Krimbill
Name: H. Michael Krimbill
Title: CEO

SEMSTREAM, L.P.

By: SemOperating G.P., L.L.C.
as General Partner

By: SemGroup Corporation,
as Sole Member

By: /s/ Norman J. Szydlowski
Name: Norman J. Szydlowski
Title: President and CEO

Exhibit 99

SEMGROUP CORPORATION

Unaudited Pro Forma Condensed Consolidated Financial Statements

On November 1, 2011, SemGroup Corporation contributed certain assets and liabilities of its subsidiary, SemStream, L.P. (“SemStream”), to NGL Energy Partners LP (“NGL Energy”) in exchange for equity interests in NGL Energy and cash, pursuant to a Contribution Agreement entered into on August 31, 2011. The accompanying unaudited pro forma condensed consolidated financial statements of SemGroup Corporation have been prepared in accordance with Article 11 of Regulation S-X. The accompanying unaudited pro forma condensed consolidated balance sheet reflects the transaction with NGL Energy as if it had occurred on June 30, 2011. The accompanying unaudited pro forma condensed consolidated statements of operations reflect the transaction with NGL Energy as if it had occurred on January 1, 2010. The terms “we”, “our”, “us”, and similar language used in these unaudited pro forma condensed consolidated financial statements refer to SemGroup Corporation and its subsidiaries.

These unaudited pro forma condensed consolidated financial statements have been derived from our historical financial statements, which are included in our quarterly report on Form 10-Q for the quarter ended June 30, 2011 and our annual report on Form 10-K for the year ended December 31, 2010. These unaudited pro forma condensed consolidated financial statements should be read in conjunction with our historical financial statements and related notes thereto.

These unaudited pro forma condensed consolidated financial statements are provided for illustrative purposes only and do not purport to represent what our actual results of operations or financial position would have been if the transaction had occurred on the dates assumed, nor are they necessarily indicative of our future operating results or financial position. However, the pro forma adjustments shown in these unaudited condensed consolidated pro forma financial statements reflect estimates and assumptions that we believe to be reasonable.

SEMGROUP CORPORATION

Unaudited Pro Forma Condensed Consolidated Balance Sheet

June 30, 2011

(Dollars in thousands)

	Historical	Pro Forma Adjustments	Pro Forma
ASSETS			
Current assets:			
Cash and cash equivalents	$ 88,737	$ 30,716(a)	$ 88,737
		(30,716)(b)	
Restricted cash	46,546	—	46,546
Accounts receivable, net of allowance	236,118	—	236,118
Inventories	89,393	(60,715)(c)	28,678
Current assets of discontinued operations	171	—	171
Other current assets	31,913	(9,993)(c)	21,920
Total current assets	492,878	(70,708)	422,170
Property, plant and equipment, net	801,022	(47,306)(c)	753,716
Equity method investments	147,734	183,961(d)	331,695
Goodwill	110,016	(50,071)(c)	59,945
Other intangible assets, net	30,022	(12,787)(c)	17,235
Other assets, net	18,780	(719)(b)	15,024
		(3,037)(c)	
Total assets	$1,600,452	$ (667)	$1,599,785
LIABILITIES AND OWNERS' EQUITY			
Current liabilities:			
Accounts payable	$ 157,514	$ —	$ 157,514
Accrued liabilities	50,810	—	50,810
Payables to pre-petition creditors	43,989	—	43,989
Other current liabilities	30,297	(12,528)(c)	17,769
Current liabilities of discontinued operations	1,163	—	1,163
Current portion of long-term debt	9,150	(12)(c)	9,138
Total current liabilities	292,923	(12,540)	280,383
Long-term debt	307,456	(30,716)(b)	276,663
		(77)(c)	
Deferred income taxes	92,262	—	92,262
Other noncurrent liabilities	55,811	(90)(c)	55,721
Owners’ equity:			
Common stock	416	—	416
Additional paid-in capital	1,026,287	—	1,026,287
Accumulated deficit	(182,456)	(719)(b)	(139,700)
		43,475(e)	
Accumulated other comprehensive income	7,753	—	7,753
Total owners’ equity	852,000	42,756	894,756
Total liabilities and owners’ equity	$1,600,452	$ (667)	$1,599,785

SEMGROUP CORPORATION

Unaudited Pro Forma Condensed Consolidated Statement of Operations

Six Months Ended June 30, 2011

(Dollars in thousands, except per share amounts)

	Historical	Pro Forma Adjustments	Pro Forma
Revenues:			
Product	$634,757	$(359,808)(f)	$274,949
Service	68,610	(542)(f)	68,068
Other	47,806	(132)(f)	47,674
Total revenues	751,173	(360,482)	390,691
Expenses:			
Costs of products sold, exclusive of depreciation and amortization shown below	588,370	(355,524)(f)	232,846
Operating	75,628	(4,370)(f)	71,258
General and administrative	40,380	(2,203)(f)	38,177
Depreciation and amortization	26,260	(2,623)(f)	23,637
Gain on disposal of long-lived assets, net	(136)	(65)(f)	(201)
Total expenses	730,502	(364,785)	365,717
Equity in earnings of White Cliffs	6,150	— (g)	6,150
Operating income	26,821	4,303	31,124
Other expenses (income):			
Interest expense	43,370	(1,382)(h)	41,988
Foreign currency transaction gain	(556)	(28)(f)	(584)
Other income, net	(5,591)	1(f)	(5,590)
Total other expenses, net	37,223	(1,409)	35,814
Loss from continuing operations before income taxes	(10,402)	5,712	(4,690)
Income tax expense	1,894	—	1,894
Loss from continuing operations	$ (12,296)	$ 5,712	$ (6,584)
Basic and diluted loss from continuing operations per common share	$ (0.30)		$ (0.16)

SEMGROUP CORPORATION

Unaudited Pro Forma Condensed Consolidated Statement of Operations

Year Ended December 31, 2010

(Dollars in thousands, except per share amounts)

	Historical	Pro Forma Adjustments	Pro Forma
Revenues:			
Product	$1,354,765	$ (712,270)(f)	$ 642,495
Service	181,913	(1,332)(f)	180,581
Other	93,656	(862)(f)	92,794
Total revenues	1,630,334	(714,464)	915,870
Expenses:			
Costs of products sold, exclusive of depreciation and amortization shown below	1,265,932	(691,823)(f)	574,109
Operating	153,440	(7,019)(f)	146,421
General and administrative	87,237	(3,133)(f)	84,104
Depreciation and amortization	70,882	(5,040)(f)	65,842
Loss on disposal or impairment of long-lived assets, net	105,050	34(f)	105,084
Total expenses	1,682,541	(706,981)	975,560
Equity in earnings of White Cliffs	1,949	— (g)	1,949
Operating loss	(50,258)	(7,483)	(57,741)
Other expenses (income):			
Interest expense	86,133	(2,764)(h)	83,369
Foreign currency transaction loss	2,899	2(f)	2,901
Other expense, net	1,439	2,981(f)	4,420
Total other expenses, net	90,471	219	90,690
Loss from continuing operations before income taxes	(140,729)	(7,702)	(148,431)
Income tax benefit	(6,223)	—	(6,223)
Loss from continuing operations	$ (134,506)	$ (7,702)	$(142,208)
Basic and diluted loss from continuing operations attributable to SemGroup per common share	$ (3.25)		$ (3.44)

(a) Reflects the receipt of cash proceeds in return for assets contributed to NGL Energy. The amount shown herein was calculated based on the working capital as of June 30, 2011. Actual cash proceeds were based on working capital as of the date of the contribution.

(b) Reflects the use of cash proceeds to reduce the principal balance on our term loans that were in place at June 30, 2011 and the related acceleration of amortization of debt issuance costs.

(c) Reflects the contribution of assets and liabilities to NGL Energy.

(d) Reflects the estimated fair value of our investment in NGL Energy received upon completion of the transaction.

(e) Represents the pro forma gain resulting from the transaction, calculated as the excess of the estimated fair value of the consideration we received over the net book value of the assets and liabilities we contributed to NGL Energy, determined using the June 30, 2011 net book value of the assets. The actual gain recorded upon completion of the transaction will differ from the pro forma gain reflected in these unaudited condensed consolidated pro forma financial statements.

(f) Reflects adjustments to remove the revenue and expenses directly attributable to the contributed assets, including revenue related to changes in the fair value of derivative instruments. No pro forma effect was given to potential reductions of indirect allocated general and administrative expense. No pro forma effect was given to the gain recorded upon completion of the transaction.

(g) No pro forma effect was given to equity in earnings or losses of our acquired investment in NGL Energy, as our acquisition of the investment in NGL Energy did not meet the significance tests to require pro forma presentation.

(h) Reflects pro forma interest savings resulting from the use of cash proceeds to reduce the outstanding principal balance on our term loan, using the 9% interest rate on the term loan that was in place until it was refinanced in June 2011.