

USA Compression Partners, LP
Form 8-K
February 26, 2019

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (date of earliest event reported): **February 21, 2019**

USA Compression Partners, LP

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-35779
(Commission File Number)

75-2771546
(IRS Employer
Identification No.)

**100 Congress Avenue
Suite 450
Austin, TX**
(Address of Principal Executive Offices)

78701
(Zip Code)

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Registrant's telephone number, including area code: **(512) 473-2662**

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Information.

On February 21, 2019, USA Compression Partners, LP (the Partnership) and its wholly-owned subsidiary, USA Compression Finance Corp. (Finance Corp. and together with the Partnership, the Issuers) entered into a purchase agreement (the Purchase Agreement), by and among the Issuers, the subsidiary guarantors party thereto and J.P. Morgan Securities LLC, as representative of the initial purchasers listed in Schedule 1 thereto (collectively, the Initial Purchasers), pursuant to which the Issuers agreed to issue and sell to the Initial Purchasers \$750 million in aggregate principal amount of the Issuers' 6.875% senior notes due 2027 (the Notes). The Notes are guaranteed (the Guarantees), jointly and severally, on a senior unsecured basis by the Partnership's existing subsidiaries (other than Finance Corp.) and each of its future restricted subsidiaries that either borrows under, or guarantees, the Partnership's senior secured asset-based revolving credit facility or guarantees certain of the Partnership's other indebtedness (collectively, the Guarantors). The Notes and the Guarantees will be sold to the Initial Purchasers at par, and the sale will result in net proceeds (after deducting the Initial Purchasers' discounts and commissions and estimated offering expenses) to the Issuers of approximately \$738.5 million. The closing of the issuance and sale of the Notes and the Guarantees is expected to occur on or about March 7, 2019, subject to customary closing conditions.

The net proceeds from the issuance and sale of the Notes and the Guarantees will be used to repay a portion of existing borrowings under the Partnership's asset-based revolving credit facility.

The Notes and the Guarantees will be issued and sold to the Initial Purchasers pursuant to an exemption from the registration requirements of the Securities Act of 1933, as amended (the Securities Act), pursuant to Section 4(2) thereunder. The Initial Purchasers intend to resell the Notes and Guarantees (i) inside the United States to persons reasonably believed to be qualified institutional buyers, as defined in Rule 144A (Rule 144A) under the Securities Act, in private sales exempt from registration under the Securities Act in accordance with Rule 144A and (ii) to non-U.S. persons pursuant to offers and sales that occur outside the United States within the meaning of Regulation S under the Securities Act (Regulation S) in accordance with Regulation S. The Notes and Guarantees will not initially be registered under the Securities Act or applicable state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state laws.

The Purchase Agreement contains customary representations, warranties and covenants and includes the terms and conditions for the sale of the Notes and the Guarantees, indemnification (including indemnification for liabilities under the Securities Act) and contribution obligations and other terms and conditions customary in agreements of this type. The Issuers and the Guarantors also agreed to enter into a registration rights agreement with the holders of the Notes.

Certain of the Initial Purchasers or their affiliates perform and have performed commercial and investment banking and advisory services for the Partnership from time to time for which they receive and have received customary fees and expenses. In particular, JPMorgan Chase Bank, N.A., an affiliate of J.P. Morgan Securities LLC, acts as administrative and collateral agent under the Partnership's revolving credit facility and affiliates of each of the Initial Purchasers are lenders, lead arrangers and/or bookrunners under the Partnership's revolving credit facility. The Initial Purchasers may, from time to time, engage in transactions with and perform services for the Partnership in the ordinary course of their business, for which they will receive fees and reimbursement for expenses.

In addition, the Issuers and the Guarantors have agreed with the Initial Purchasers not to offer, sell, contract to sell, pledge or otherwise dispose of any debt securities (other than the Notes) issued by the Issuers or any of the Guarantors for a period of 90 days after the date of the Purchase Agreement without the prior consent of J.P. Morgan Securities LLC.

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On February 21, 2019, the Partnership issued a press release, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference, announcing the pricing of the offering.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which the offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| Exhibit No. | | Description |
|-------------|---|-------------|
| 99.1 | <u>Press release dated February 21, 2019.</u> | |

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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.

Date: February 26, 2019

USA COMPRESSION PARTNERS, LP

By: USA Compression GP, LLC,
its general partner

By: /s/ Christopher W. Porter
Name: Christopher W. Porter
Title: Vice President, General Counsel and Secretary