

Sanchez Production Partners LP
 Form 4
 March 06, 2015

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 SANCHEZ ANTONIO R III

2. Issuer Name and Ticker or Trading Symbol
 Sanchez Production Partners LP [SPP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1000 MAIN STREET, SUITE 3000
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 03/06/2015

Director 10% Owner
 Officer (give title below) Other (specify below)

HOUSTON, TX 77002

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Ownership (Instr. 4) | | |
|---|--------------------------------------|--|--------------------------------|---|---|--|--|---|---|
| | | | | (A) or (D) | Price | | | | |
| | | | | Code | V | Amount | | | |
| Common Units (Class B) of Sanchez Production Partners LLC | 03/06/2015 | | J ⁽¹⁾ | 5,364,196 | D | ① | 0 | I | By Sanchez Energy Partners I, LP ⁽⁴⁾ |
| Class A Units of Sanchez Production Partners | 03/06/2015 | | J ⁽²⁾ | 484,505 | D | ② | 0 | I | By Sanchez Energy Partners I, LP ⁽⁴⁾ |

Edgar Filing: Sanchez Production Partners LP - Form 4

| | | | | | | | | |
|---|------------|---------------------------|-----------|---|--------------------------|-----------|---|---|
| LLC | | | | | | | | |
| Class Z Unit of Sanchez Production Partners LLC | 03/06/2015 | <u>J⁽³⁾</u> | 1 | D | <u>(3)</u> | 0 | I | By Sanchez Energy Partners I, LP ⁽⁴⁾ |
| Common Units (Class B) of Sanchez Production Partners LLC | 03/06/2015 | <u>J⁽¹⁾</u> | 59,562 | D | <u>(1)</u> | 0 | I | By SP Holdings, LLC ⁽⁵⁾ |
| Common Units (Class B) of Sanchez Production Partners LLC | 03/06/2015 | <u>J⁽¹⁾</u> | 6,403 | D | <u>(1)</u> | 0 | D | |
| Common Units of Sanchez Production Partners LP | 03/06/2015 | <u>J⁽¹⁾⁽²⁾</u> | 5,951,800 | A | <u>(1)</u> <u>(2)</u> | 5,951,800 | I | By Sanchez Energy Partners I, LP ⁽⁴⁾ |
| Common Units of Sanchez Production Partners LP | 03/06/2015 | <u>J⁽¹⁾</u> | 59,562 | A | <u>(1)</u> | 59,562 | I | By SP Holdings, LLC ⁽⁵⁾ |
| Common Units of Sanchez Production Partners LP | 03/06/2015 | <u>J⁽¹⁾</u> | 6,403 | A | <u>(1)</u> | 6,403 | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

Edgar Filing: Sanchez Production Partners LP - Form 4

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| SANCHEZ ANTONIO R III 1000 MAIN STREET, SUITE 3000 HOUSTON, TX 77002 | X | X | | |

Signatures

/s/ Antonio R. Sanchez, III
 03/06/2015
 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Pursuant to a reclassification exempt under Rule 16b-7, on March 6, 2015, each Class B Common Unit of Sanchez Production Partners LLC ("SPP LLC") was converted into a Common Unit of Sanchez Production Partners LP ("SPP LP") on a one-for-one basis.
- (2) Pursuant to a reclassification exempt under Rule 16b-7, on March 6, 2015, the Class A Units of SPP LLC were converted into a number of SPP LP's Common Units equal to 2% of SPP LP's Common Units outstanding immediately after the conversion (after taking into account the conversion of such Class A Units).
- (3) On March 6, 2015, the Class Z Unit owned by Sanchez Energy Partners I, LP ("SEPI") was cancelled in a transaction exempt under Rule 16b-3.
- (4) These securities are owned directly by SEPI. SEPI is controlled by its general partner, SEP Management I, LLC, which is a wholly owned subsidiary of Sanchez Oil & Gas Corporation. Sanchez Oil & Gas Corporation is managed by Antonio R. Sanchez, III and other members of the Sanchez family. Antonio R. Sanchez, III shares voting and dispositive power over the securities controlled by SEPI. Antonio R. Sanchez, III disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all of the reported securities for purposes of Section 16 or any other purpose.
- (5) These securities are owned directly by SP Holdings LLC ("SP Holdings"). SP Holdings is controlled by SP Capital Holdings, LLC ("SP Capital"). SP Capital is managed by Eduardo A. Sanchez and Antonio R. Sanchez, III. Antonio R. Sanchez, III shares voting and dispositive power over the securities controlled by SP Capital. Antonio R. Sanchez, III disclaims beneficial ownership of these securities except to the extent of his pecuniary interest therein, and the inclusion of these securities in this report shall not be deemed an admission of beneficial ownership of all of the reported securities for purposes of Section 16 or any other purpose.

Remarks:

Exhibit 24 - Power of Attorney

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.