

Gray Reed Client Crestwood Equity Partners Announces New Commercial Agreements with BlueStone Natural Resources II

April 8, 2016

Gray Reed & McGraw client Crestwood Equity Partners LP recently announced new, long-term commercial agreements with BlueStone Natural Resources II, LLC to gather and process natural gas across its Alliance, Lake Arlington and Cowtown systems in the Barnett Shale. Gray Reed's [Philip Jordan](#) and [Brock Niezgoda](#) handled the negotiations for Crestwood.

According to the agreement, Crestwood will provide BlueStone with 10 years of service under a fixed-fee and percent of proceeds fee structure. Also as part of the agreement, BlueStone will provide production assurance to Crestwood, returning all currently shut-in wells to production by July 1, 2016 and will not shut-in or choke back production for economic purposes through 2018.

“We are very pleased our client reached a commercial agreement with BlueStone that will allow its operations in the Barnett shale to continue unimpeded,” said Jordan. “The commercial agreements should provide long term stability for both Crestwood and BlueStone.”

The new commercial agreements helped to facilitate the closing of the sale of Quicksilver Resources, Inc.'s Barnett Shale assets to BlueStone on April 6, 2016. Quicksilver, which filed for Chapter 11 bankruptcy protection one year ago, had previously filed a motion with the bankruptcy court to reject its legacy commercial agreements with Crestwood. However, in response to the closing of the new commercial agreements between Crestwood and BlueStone along with the finalization of the sale of the Barnett Shale assets, Quicksilver withdrew its motion to reject Crestwood's legacy gathering agreements, providing resolution to Crestwood's participation in the Quicksilver bankruptcy.

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