

Section 1: 8-K (8-K)

**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): **June 21, 2019**

ALLIANCE RESOURCE PARTNERS, L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

Commission
File No.: **0-26823**

73-1564280
(IRS Employer
Identification No.)

1717 South Boulder Avenue, Suite 400, Tulsa, Oklahoma 74119

(Address of principal executive offices and zip code)

(918) 295-7600

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------|-------------------|--|
| Common Units | ARLP | The NASDAQ Stock Market LLC |

Indicate by check mark whether the registrant is an emerging growth company as defined in 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 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On June 21, 2019, Alliance Resource Partners, L.P. ("ARLP") entered into a definitive agreement to acquire oil and gas mineral interests from Wing Resources LLC and Wing Resources II LLC for a cash purchase price of \$145.0 million, which will be funded with cash on hand and borrowings under ARLP's credit facility. Upon closing, the transaction will increase ARLP's presence in the Permian Basin through the addition of approximately 9,000 net royalty acres in the Midland Basin, with exposure to more than 400,000 gross acres. Subject to customary closing conditions, the parties expect to close the transaction in early August 2019.

ITEM 7.01. REGULATION FD DISCLOSURE.

On June 24, 2019, ARLP issued a press release announcing the entry into the agreement described above. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information furnished in this Item 7.01, including Exhibit 99.1 hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent specifically referenced in any such filings.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

| Exhibit Number | Description |
|---------------------------|--|
| 99.1 | <u>Alliance Resource Partners, L.P. press release dated June 24, 2019.</u> |



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.

Alliance Resource Partners, L.P.

By: Alliance Resource Management GP, LLC,
its general partner

By: /s/ Joseph W. Craft III
Joseph W. Craft III
*President, Chief Executive Officer
and Chairman*

Date: June 27, 2019



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Section 2: EX-99.1 (EX-99.1)

Exhibit
99.1

PRESS RELEASE



CONTACT:
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Suite 400
Tulsa, Oklahoma 74119
(918) 295-7673

FOR IMMEDIATE RELEASE

ALLIANCE RESOURCE PARTNERS, L.P.

Announces Agreement to Acquire Permian Basin Oil and Gas Mineral Interests

TULSA, OKLAHOMA, June 24, 2019 – Alliance Resource Partners, L.P. (NASDAQ: ARLP) today announced that it has entered into a definitive agreement to acquire oil and gas mineral interests from Wing Resources LLC and Wing Resources II LLC (collectively, "Wing") for a cash purchase price of \$145.0 million. Upon closing, the transaction will increase ARLP's presence in the Permian Basin through the addition of approximately 9,000 net royalty acres in the Midland Basin, with exposure to more than 400,000 gross acres. There are 783 gross horizontal wells currently producing on the acreage to be acquired delivering an estimated 460 BOE per day (70% oil, 14% NGLs) net to the Wing interests. With an additional 441 drilled but uncompleted wells and 279 permits, these assets are under active development by well-capitalized operators bringing visible and near-term growth to current production.

"Today's announcement reflects ARLP's commitment to build its oil and gas minerals segment as a growth platform for the future," said Joseph W. Craft III, Chairman, President and Chief Executive Officer. "The Wing acquisition enhances our already significant ownership position in the prolific, liquids-rich Permian Basin and, upon completion, these assets are expected to complement our existing coal and oil and gas businesses, contributing to long-term cash flow growth for ARLP and value creation for our unitholders."

ARLP will fund the purchase with cash on hand and borrowings under its credit facility. The agreement provides for an effective date of May 1, 2019 and the transaction is expected to close in early August 2019.

Following the acquisition of Wing's assets, ARLP will directly own approximately 51,000 net royalty acres concentrated in the Permian Basin (47.0%), SCOOP/STACK (40.0%), Bakken (8.0%) and Appalachian Basin (5.0%). ARLP also indirectly owns approximately 3,950 net royalty acres through its limited partner interest in AllDale Minerals III, L.P.

About Alliance Resource Partners, L.P.

ARLP is a diversified natural resource company that generates income from coal production and oil and gas mineral interests located in strategic producing regions across the United States.



ARLP currently produces coal from eight mining complexes it operates in Illinois, Indiana, Kentucky, Maryland and West Virginia. ARLP also operates a coal loading terminal on the Ohio River at Mount Vernon, Indiana. ARLP markets its coal production to major domestic and international utilities and industrial users and is currently the second largest coal producer in the eastern United States.

ARLP generates royalty income from mineral interests it owns in premier oil and gas producing regions in the US, primarily the Anadarko, Permian, Williston and Appalachian basins.

In addition, ARLP also generates income from a variety of other sources.

News, unit prices and additional information about ARLP, including filings with the Securities and Exchange Commission, are available at <http://www.arlp.com>. For more information, contact the investor relations department of ARLP at (918) 295-7674 or via e-mail at investorrelations@arlp.com.

FORWARD-LOOKING STATEMENTS: With the exception of historical matters, any matters discussed in this press release are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from projected results. These risks, uncertainties and contingencies include, but are not limited to, the following: changes in coal prices, which could affect our operating results and cash flows; changes in competition in domestic and international coal markets and our ability to respond to such changes; legislation, regulations, and court decisions and interpretations thereof, both domestic and foreign, including those relating to the environment and the release of greenhouse gases, mining, miner health and safety and health care; deregulation of the electric utility industry or the effects of any adverse change in the coal industry, electric utility industry, or general economic conditions; risks associated with the expansion of our operations and properties; dependence on significant customer contracts, including renewing existing contracts upon expiration; adjustments made in price, volume or terms to existing coal supply agreements; changing global economic conditions or in industries in which our customers operate; recent action and the possibility of future action on trade made by United States and foreign governments; the effect of new tariffs and other trade measures; liquidity constraints, including those resulting from any future unavailability of financing; customer bankruptcies, cancellations or breaches to existing contracts, or other failures to perform; customer delays, failure to take coal under contracts or defaults in making payments; fluctuations in coal demand, prices and availability; changes in oil & gas prices, which could, among other things, affect our investments in oil & gas mineral interests; our productivity levels and margins earned on our coal sales; decline in or change in the coal industry's share of electricity generation, including as a result of environmental concerns related to coal mining and combustion and the cost and perceived benefits of other sources of electricity, such as natural gas, nuclear energy and renewable fuels; changes in raw material costs; changes in the availability of skilled labor; our ability to maintain satisfactory relations with our employees; increases in labor costs including costs of health insurance and taxes resulting from the Affordable Care Act, adverse changes in work rules, or cash payments or projections associated with post-mine reclamation and workers' compensation claims; increases in transportation costs and risk of transportation delays or interruptions; operational interruptions due to geologic, permitting, labor, weather-related or other factors; risks

— MORE —



associated with major mine-related accidents, mine fires, mine floods or other interruptions; results of litigation, including claims not yet asserted; foreign currency fluctuations that could adversely affect the competitiveness of our coal abroad; difficulty maintaining our surety bonds for mine reclamation as well as workers' compensation and black lung benefits; difficulty in making accurate assumptions and projections regarding post-mine reclamation as well as pension, black lung benefits and other post-retirement benefit liabilities; uncertainties in estimating and replacing our coal reserves; uncertainties in estimating and replacing our oil & gas reserves; uncertainties in the amount of oil & gas production due to the level of drilling and completion activity by the operators of our oil & gas properties; a loss or reduction of benefits from certain tax deductions and credits; difficulty obtaining commercial property insurance, and risks associated with our participation in the commercial insurance property program; and difficulty in making accurate assumptions and projections regarding future revenues and costs associated with equity investments in companies we do not control.

Additional information concerning these and other factors can be found in ARLP's public periodic filings with the SEC, including ARLP's Annual Report on Form 10-K for the year ended December 31, 2018, filed on February 22, 2019 and ARLP's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, filed on May 6, 2019 with the SEC. Except as required by applicable securities laws, ARLP does not intend to update its forward-looking statements.

— END —



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