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Marlin Midstream Partners, LP  
Form 10-Q  
October 30, 2014

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

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2014

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 001-36018

Marlin Midstream Partners, LP

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or Other Jurisdiction of  
Incorporation or Organization)

46-2627595

(I.R.S. Employer  
Identification Number)

2105 CityWest Boulevard  
Suite 100

77042

Houston, Texas  
(832) 200-3702

(Address of principal executive  
offices)

(Zip Code)

(832) 200-3702

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.) Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

(Do not check if smaller reporting company)

Smaller reporting company

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The registrant had the following number of units outstanding as of October 29, 2014:

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Class	Units Outstanding
Common Units	8,979,248
Subordinated Units	8,724,545
General Partner Units	357,935

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MARLIN MIDSTREAM PARTNERS, LP  
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For the Quarter Ended September 30, 2014

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## GLOSSARY OF TERMS

The following are definitions of certain terms used in this Quarterly Report on Form 10-Q:

Bbls: One stock tank barrel, or 42 U.S. gallons liquid volume, used in reference to oil or other liquid hydrocarbons.

Bbls/d: Stock tank barrel per day.

Bbls/hr: Stock tank barrel per hour.

condensate: A natural gas liquid with a low vapor pressure, mainly composed of propane, butane, pentane and heavier hydrocarbon fractions.

crude oil: A mixture of hydrocarbons that exists in liquid phase in underground reservoirs.

dry gas: A natural gas primarily composed of methane and ethane where heavy hydrocarbons and water either do not exist or have been removed through processing.

end-user markets: The ultimate users and consumers of transported energy products.

Mcf: One thousand cubic feet.

MMBtu: One million British Thermal Units.

MMcf: One million cubic feet.

MMcf/d: One million cubic feet per day.

natural gas liquids, or NGLs: The combination of ethane, propane, normal butane, isobutane and natural gasolines that when removed from natural gas become liquid under various levels of higher pressure and lower temperature.

residue gas: The dry gas remaining after being processed or treated.

tailgate: Refers to the point at which processed natural gas and natural gas liquids leave a processing facility for end-user markets.

throughput: The volume of natural gas transported or passing through a pipeline, plant, terminal or other facility during a particular period.

## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

MARLIN MIDSTREAM PARTNERS, LP  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 (in thousands, except number of units)  
 (unaudited)

	September 30, 2014	December 31, 2013
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$2,434	\$3,157
Accounts receivable	3,104	2,969
Accounts receivable—affiliates	3,218	3,632
Inventory	230	321
Prepaid assets	481	330
Other current assets	285	285
Total current assets	9,752	10,694
PROPERTY, PLANT AND EQUIPMENT, NET	164,096	162,548
OTHER ASSETS	686	900
<b>TOTAL ASSETS</b>	<b>\$174,534</b>	<b>\$174,142</b>
<b>LIABILITIES AND PARTNERS' CAPITAL</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$1,477	\$2,791
Accrued liabilities	2,715	2,131
Accounts payable—affiliates	1,935	1,552
Long-term incentive plan payable - affiliates	219	2,752
Total current liabilities	6,346	9,226
<b>LONG-TERM LIABILITIES</b>		
Long-term incentive plan payable - affiliates	355	291
Deferred taxes	169	75
Long-term debt	11,000	4,000
Total liabilities	17,870	13,592
<b>PARTNERS' CAPITAL</b>		
Common units (8,979,248 and 8,724,545 issued and outstanding at September 30, 2014 and December 31, 2013, respectively)	142,182	142,587
Subordinated units (8,724,545 issued and outstanding at September 30, 2014 and December 31, 2013)	13,720	17,258
General partner units (357,935 and 356,104 issued and outstanding at September 30, 2014 and December 31, 2013, respectively)	762	705
Total Partners' Capital	156,664	160,550
<b>TOTAL LIABILITIES AND PARTNERS' CAPITAL</b>	<b>\$174,534</b>	<b>\$174,142</b>

The accompanying notes are an integral part of these condensed consolidated and combined financial statements.

MARLIN MIDSTREAM PARTNERS, LP  
 CONDENSED CONSOLIDATED AND COMBINED STATEMENTS OF OPERATIONS  
 (in thousands, except per unit amounts)  
 (unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2014	2013	2014	2013
<b>REVENUES:</b>				
Natural gas, NGLs and condensate revenue	\$2,511	\$7,026	\$11,852	\$14,106
Gathering, processing, transloading and other revenue	5,419	7,321	19,237	17,995
Gathering, processing, transloading and other revenue—affiliates	9,289	4,603	27,394	4,650
Total Revenues	17,219	18,950	58,483	36,751
<b>OPERATING EXPENSES:</b>				
Cost of natural gas, NGLs and condensate revenue	1,136	5,045	3,722	7,419
Cost of natural gas, NGLs and condensate revenue—affiliates	1,626	1,434	10,488	4,268
Operation and maintenance	2,132	2,961	6,947	10,048
Operation and maintenance—affiliates	1,505			